

Planning Commission Date: March 23, 2005

Item No. 1

REVISED MILPITAS PLANNING COMMISSION AGENDA REPORT

Category: Public Hearing

Report prepared by: Dennis Carrington

Public Hearing: Yes: X No:

Notices Mailed On: N/A

Published On: March 10, 2005 Posted On: N/A

TITLE: **TRANSIT SUBAREA PLAN ALTERNATIVES ANALYSIS AND RECOMMENDATION TO THE CITY COUNCIL**

Location: THE BOUNDARIES OF THIS TRANSIT SUBAREA PLAN INCLUDE THE GREAT MALL OF THE BAY AREA, AND MANY PARCELS ALONG OR NEAR THE VICINITY OF MCCANDLESS DRIVE, HOURET DRIVE, CENTERPOINT DRIVE, SANGO COURT, TAROB COURT, GLADDING COURT, CAPITOL AVENUE, MONTAGUE EXPRESSWAY AND PIPER DRIVE

RECOMMENDATION: 1. **Close the public hearing**

 2. **Make a recommendation to the City Council regarding the Transit Subarea Conceptual Land Use Plans**

Applicant: *City Initiated*

Attachments: Conceptual Land Use Plans
 Draft Brochure
 Sketches for McCandless Lifestyle Commercial Center

BACKGROUND

Budget Objective. The adopted budget objectives for the Department of Planning and Neighborhood Services include the preparation of a Transit Subarea Plan for the area surrounding the future Montague/Capitol BART station and two VTA Light Rail stations.

Scope of Work. The scope of work for the Transit Subarea Plan calls for a Phase I consisting of a Conceptual Visioning Plan prepared over a four-month period. The goal of the process is a vision plan that can guide developers and decision makers in the absence of a detailed specific plan amendment. Phase II tasks, in addition to a Midtown Specific Plan amendment, will include a general plan amendment, zoning changes, design guidelines, fiscal impact study and environmental impact report. This concept plan is Statutorily Exempt pursuant to Section 15262 of the CEQA Guidelines which states that a project involving only feasibility or planning studies for possible future actions which the City has not approved, adopted, or funded does not require the preparation of an EIR or negative declaration, but does require consideration of environmental factors.

Recent hearings. In November 2004 the City Council approved a scope of work for Phase I and in December the City hired the consultants, Dyett & Bhatia, of San Francisco to prepare the Vision Plan. Stakeholder interviews were held in December of 2004. A workshop was held on January 20, 2005, and a design charrette was held on February 17, 2005. Three draft alternative concept plans have been prepared on the basis of input received during the stakeholder interviews, workshop and charrette and February community meeting. The City Council received a report on the status of the Transit Subarea Plan on March 1, 2005. The City Council Transportation Subcommittee received regular status reports on the projects over the past year. On March 9, 2005, these concepts were presented to the Planning Commission along with background information that formed the basis for the evolution of the plans to date. Phase I of the Transit Subarea Plan, a "Vision Plan" will go before the City Council on April 5, 2005 for final consideration and direction for progressing with Phase II.

DRAFT ALTERNATIVE CONCEPT PLANS

The City has initiated this study in order to foster Milpitas' image and regional identity, strengthen and expand retail to increase sales tax revenues, attract big box retail, provide housing and amenities and services such as parks, schools, retail and restaurants. The study has also met property owner goals of providing an overall plan and process that will transform an underdeveloped area into a dynamic transit development area. This plan will maximize revenues, foster developing land at its "highest and best use", and provide flexibility, limited government regulation, and synergy with adjacent development so "every one's boat can rise". The study will foster the needs of the Valley Transportation Authority by increasing ridership, locating housing near transit and providing higher density housing types. Please see the attached Brochure for background and details about the planning process and the alternative concept plans.

PRELIMINARY CONCEPT PLAN

This concept is characterized by a retail mixed-use designation along the south side of Great Mall Parkway opposite the Great Mall, four transit-oriented neighborhoods, high-density mixed use along major corridors and a Boulevard Commercial frontage on the west side of Montague Parkway (south of Great Mall Parkway) providing retail, hotel, office and medical uses with FARs between 1.5 and 3.0 allowing structures to be between 4 and 12 stories tall (please see the attached Conceptual Land Use Plans). The retail mixed-use area could be the site of a "Lifestyle Commercial Center" similar to Bay Street in Emeryville or Santana Row in San Jose (please see the attached sketches). The number of dwelling units provided under this concept would range from 5,109 to 10,630 depending on whether development occurred at the low or high ends of the permitted density ranges. Non-residential development would range from 2.01 million square feet to 5.02 million square feet. It has been determined that additional sewage flows beyond those already anticipated in the City's 2004 Sewage Master Plan would range from .26 to 1.22 million gallons per day. VTA Light Rail and BART residential ridership is projected to be between 2,282 and 5,278 riders per day within a ½ mile radius of the BART station. Please see the accompanying "Summary Table of Alternative Concepts" to compare the impacts of this and the following two concepts.

ALTERNATIVE POLICY CHOICES PLAN

This concept would differ from the Preliminary Concept Plan in that a High Density Mixed Use designation would be placed along the south side of Great Mall Parkway opposite the Great Mall.

This would allow residential, hotel or office uses with retail and restaurants on the ground floor. Employment Commercial uses would be located on the west side of Montague Parkway (south of Great Mall Parkway) providing retail, hotel, office and medical uses with FARs allowing structures to be 2 to 6 stories tall. The number of dwelling units provided under this concept would range from 5,024 to 8,709 depending on whether development occurred at the low or high ends of the permitted density ranges. Non-residential development would range from 1.69 million square feet to 5.56 million square feet. Additional sewage flows beyond those already anticipated in the City's 2004 Sewage Master Plan would range from .21 to .93 million gallons per day. VTA Light Rail and BART residential ridership is projected to be between 2,282 and 5, 278 riders per day.

REGIONAL ENTERTAINMENT OR SPORTS FACILITY ALTERNATIVE

This alternative is very similar to the Preliminary Concept Plan with the exception that a regional entertainment/sports facility would be located on the east side of Montague Expressway and south of Great Mall Parkway. The focus of this area would be a 25,000-seat stadium that would be suitable as a soccer stadium or entertainment venue. This type of facility would host approximately 20 games a year and several concerts. The consultant estimates that the costs to the City would be approximately \$75,000,000 to \$100,000,000. The number of dwelling units provided under this concept would range from 4,156 to 8,871 depending on whether development occurred at the low or high ends of the permitted density ranges. Non-residential development would range from 2.18 million square feet to 5.96 million square feet. Additional sewage flows beyond those already anticipated in the City's 2004 Sewage Master Plan would range from .19 to 1.23 million gallons per day. VTA Light Rail and BART residential ridership is projected to be between 1,837 and 4, 415 riders per day.

SUMMARY TABLE OF ALTERNATIVE CONCEPTS

ALTERNATIVE	PRELIMINARY CONCEPT	ALTERNATIVE POLICY CHOICES	SPORTS FACILITY
Number of Dwelling Units	5,109 to 10,630	5,024to 8,709	4,156 to 8,871
Non-Residential Square Footage	2.01 to 5.02 million square feet	1.69 to 5.56 million square feet	2.18 to 5.96 million square feet
Sewage Capacity Required	.26 to 1.22 million GPD	.21 to .93 million gallons per day	.19 to 1.23 million gallons per day
Ridership Generated	2,282 and 5, 278 riders per day	2,282 and 5, 278 riders per day	1,837 and 4, 415 riders per day

ISSUES

BART. This study assumes that, in addition to the two existing VTA Light Rail stations in the planning area, BART will be built by the year 2020 and that the Montague/Capitol BART station will not be the end of the line. However, this plan would be valid as a Transit Development Plan even if BART is not built or is delayed in implementation because of the presence of the existing or proposed transit facilities in the plan area which include: VTA Light Rail stations, a bus terminal, Montague Expressway, Capitol Avenue, Great Mall Parkway and Interstates 680 and 880. These facilities are more beneficial to Milpitas-based live/work trips than BART, which is an attractor for regional trips.

Stakeholder Concerns. Stakeholder interviews during the planning process indicated that they support a Transit Subarea Plan for this area. It is felt that it will redevelop and transform an underdeveloped area into a successful mixed-use transit oriented development.

- Brookwood Montague Technology Park Investors, LLC. The 9 acre property located at the south-east corner of Montague Expressway and Trade Zone Boulevard is shown as Light Industrial/R&D/Wholesale Retail on the Preliminary Concept Plan and the Alternative Policy Choices Plan. Brookwood would prefer to develop their site as Very High Density Residential because it is adjacent to other residential uses, is within ½ mile of the BART station, is of a developable size, could be available for development within 18 months and would provide needed housing. The consultant recommends that the property remain Light Industrial because it is adjacent to industrially zoned land in the City of San Jose, sewage capacity issues, preservation of Light Industrial land uses in Milpitas, and the sites distance from transit facilities. Any residential development at this density would require the purchase of additional sewage capacity.
- Berg and Berg. This firm owns property on both sides of McCandless Drive from Great Mall Parkway to Montague Expressway. The owner prefers a High Density Mixed Use on the site but with the flexibility to construct residential units on the site. FAR's and building heights were reduced to address some of the firm's concerns. The consultant is concerned about the lack of specificity of Berg and Berg's request and recommends that it be designated Retail Mixed Use that is sufficiently flexible for their purposes. Environmental review of the project will require a more specific type of land use in order to address its potential environmental impacts. It should be noted that a specific plan is a living document and can be updated or changed over time as appropriate.
- Armand Kunde Property. Mr. Kunde would prefer to develop the property without having its value compromised by its use for transit-related facilities such as a parking structure or bus station. The consultant feels that if the BART station is underground, the site could be used for residential purposes. If the BART station is above ground the property will be hemmed-in by two elevated transit lines and could be used for BART parking, a bus station or non-residential purposes.
- Piper/Montague Properties. Three residential developers would like to convert the Heavy Industrial designated property to residential development ranging from condominiums, townhomes and high-rise residential towers. They may not desire to develop at the high range of the densities proposed by the concept plans because they have typically built products at lower densities elsewhere. The consultant and VTA recommend that development occur at the highest density possible in order to provide sufficient housing adjacent to the BART station.
- BT Commercial owns land on the south side of Capitol Avenue near the future BART right-of-way. They were concerned about the potential impacts of the PG&E line on their street layout. The consultant modified the concept plans to reflect this concern.

Rail Spur and Train Turnaround and Railroad "Wye". An existing Union Pacific Rail Road spur line provides rail service to industrial uses east of Piper Drive and north of Montague Expressway. Residential development of this area, as described above, would be facilitated by the removal of this spur line. VTA has been preparing a study of the removal of this and other rail lines as part of the overall BART system project. The City has encouraged VTA to eliminate the spur

line. Additionally, the City has encouraged VTA to relocate the existing Railroad “Wye” or train turnaround to a location in the City of Fremont. If it is not relocated to the City of Fremont, the Wye would be relocated to just south of the industrial park served by Gibraltar Drive. This location would result in the loss of significant amounts of parking for some of the businesses in that industrial park.

Sewage Capacity. The City’s 2004 Sewer Master Plan has determined that 1.21 million gallons per day of sewage capacity are necessary to accommodate development envisioned by the existing General Plan. The three alternatives would result in increases in sewage capacity needed to support them (please see table above). It is anticipated that actual development would be in the middle of the ranges estimated by the consultant. It will be necessary for the City to purchase sewage capacity from other agencies in order to develop according to one of the concept plans. Phase II will provide more detailed studies of sewage capacity and other issues such as traffic.

Residential Densities - Minimum Densities. The City has sought to support and implement the VTA Best Practices Manual for Transit Oriented Development. One of the goals of transit-oriented development is to place large numbers of higher-density residences near transit stations in order to enhance ridership on the transit. The residential designations propose a minimum density as well as a maximum density in order to ensure that sufficient numbers of dwelling units are built to support transit. Several developers have indicated that they do not want to develop at the high end of the density ranges as proposed because they are more accustomed to building townhouse developments than higher density units. The consultant is recommending higher densities because it is appropriate to have high-quality higher density for-sale units near mass transit facilities.

Gross vs. Net Density. The Milpitas General Plan expresses residential density as housing units per gross acre of developable land by measuring to the centerline of bounding streets and other public rights-of-way. In developed infill areas, the City’s public street system has been established. Using gross density to calculate the number of units on an infill parcel and including acreage out to the centerlines of street results in a greater number of dwelling units for a given project than if the calculation was based on the net acreage within a parcel’s property lines. Developers interviewed by the consultant expressed that they would have difficulty building units at that high a density and still providing open space, recreation facilities, roadways and sidewalks. The consultant and staff have agreed to give credit for park dedication by netting out acreage as an incentive to develop on a gross acreage basis.

Above-Grade BART station and trackway. VTA notified the City that, in order to reduce costs by approximately 21 million dollars, they were proposing an elevated Montague/Capitol BART station in Milpitas. The consultant and staff have several concerns with this proposal. Visual, noise and vibration impacts of the elevated station would potentially impact property values and have long-term negative fiscal impacts to the City. It is important that high-quality high-density housing be constructed near the station. If developers feel that the district around the station will not be appealing to residents, they will not invest in the type of housing that Milpitas needs, resulting in declining property values over time, rather than increasing property values. The BART station will set the theme for the entire district. It is important that this area “get off on the right foot” and be based on a station that is of a high quality that supports high property values. A noisy urban environment will require developers to provide expensive soundproofing and locate less sensitive land uses adjacent the track ways. Furthermore, setbacks from BART to reduce noise will eliminate

several dwelling units. This could result in fewer funds available for other desired amenities and awkward site designs. A below-grade BART station would be relatively quiet, relatively clean, be located under an attractive urban plaza, and channel pedestrian flows in the district with its entrances. An above-grade BART station would be relatively noisy and dirty and have negative visual impacts. The urban spaces beneath the BART station and track way would be less attractive and in the long term potentially require a police presence to keep them safe. VTA is studying this issue will make a report on it will be released in May.

If the BART station is to be elevated, it is recommended by the consultant, staff and several stakeholders that several changes be made to the design as proposed:

- Provide a half-height Soundwall along the elevated track way north of the station to protect the Piper/Montague properties to the east and the Great Mall to the west.
- Provide a safe, sheltered, no-fee pedestrian crossing of Montague Expressway at the same level as the BART tracks.
- Provide escalators at both ends of the pedestrian crossing to facilitate its use.
- Enclose the BART station to reduce noise, visual and vibration impacts to the district.
- Use advanced technology track ways to reduce noise and vibration.
- Use vibration-isolating pylon construction to reduce noise and vibration.
- Encourage use of flashing lights along the platform to announce arrival of trains rather than noisy horns

Parking. Several developers have stated that parking ratios for higher density housing will have to be reduced for the housing to be economically feasible. The Midtown Specific Plan does allow a 20% parking reduction for Transit Oriented Development. This may require that the City count on-street parking as guest parking (similar to what was allowed for the Park Place development by a conditional use permit) and that it encourage innovative parking concepts such as joint-use parking and parking districts.

Parks. Approximately 24 acres of parks and open space are proposed in the planning area. Recreational parks with frontages on residential buildings are proposed for every residential neighborhood. Improvements to trails along Penitencia Creek and along the BART track way are being considered. These parks are important in order to foster natural neighborhoods.

Infrastructure Financing. Developers of properties in the planning area will be required to make improvements or provide funding for those improvements on a fair share basis.

RECOMMENDED ALTERNATIVE:

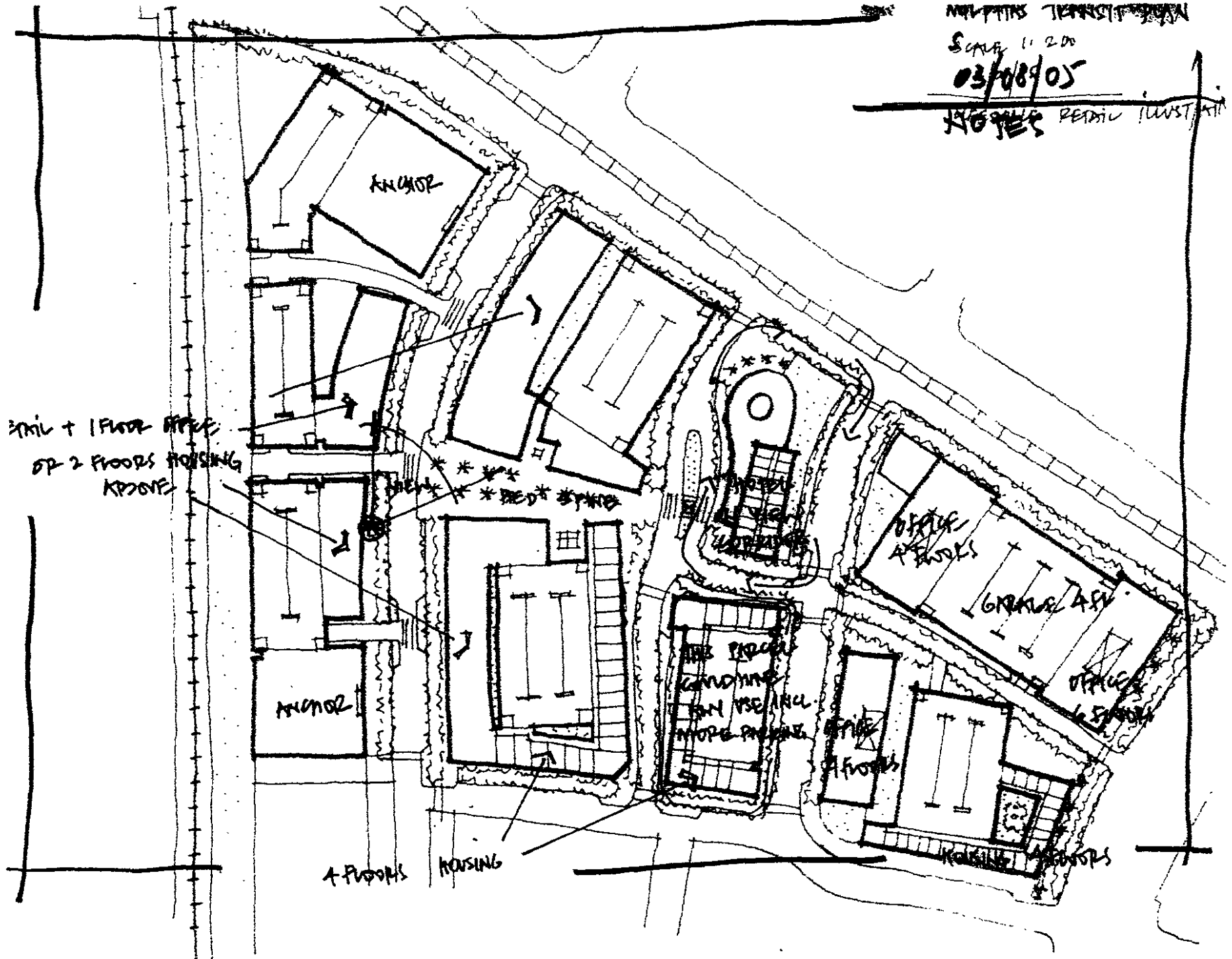
The consultant and staff recommend that the Planning Commission recommend that the City Council adopt the Preliminary Concept Plan. This concept provides a high quality mixed-use transit oriented community for the ±400 acres around the VTA Light Rail stations and the Montague/Capitol BART station. This mix of uses would provide needed complementary retail uses adjacent to the Great Mall with associated residential uses. Boulevard Commercial uses in high-rise towers would provide needed services and employment. Four residential districts would be provided which will give the City of Milpitas much needed high quality ownership housing. Staff feels that the Alternative Policy Choices concept does not provide the needed variety and vitality than does the Preliminary Concept

Plan. The Regional Entertainment or Sports Facility Alternative is not economically feasible according to the City's consultant

RECOMMENDATION:

Close the public hearing and make a recommendation to the City Council regarding the Transit Subarea Plan

NO MORE RETAIL TRUST, AM



MILPITAS TRANCH PLAN

SCALE 1" = 20'

03/08/05

USEFUL RETAIL ILLUSTRATIVE



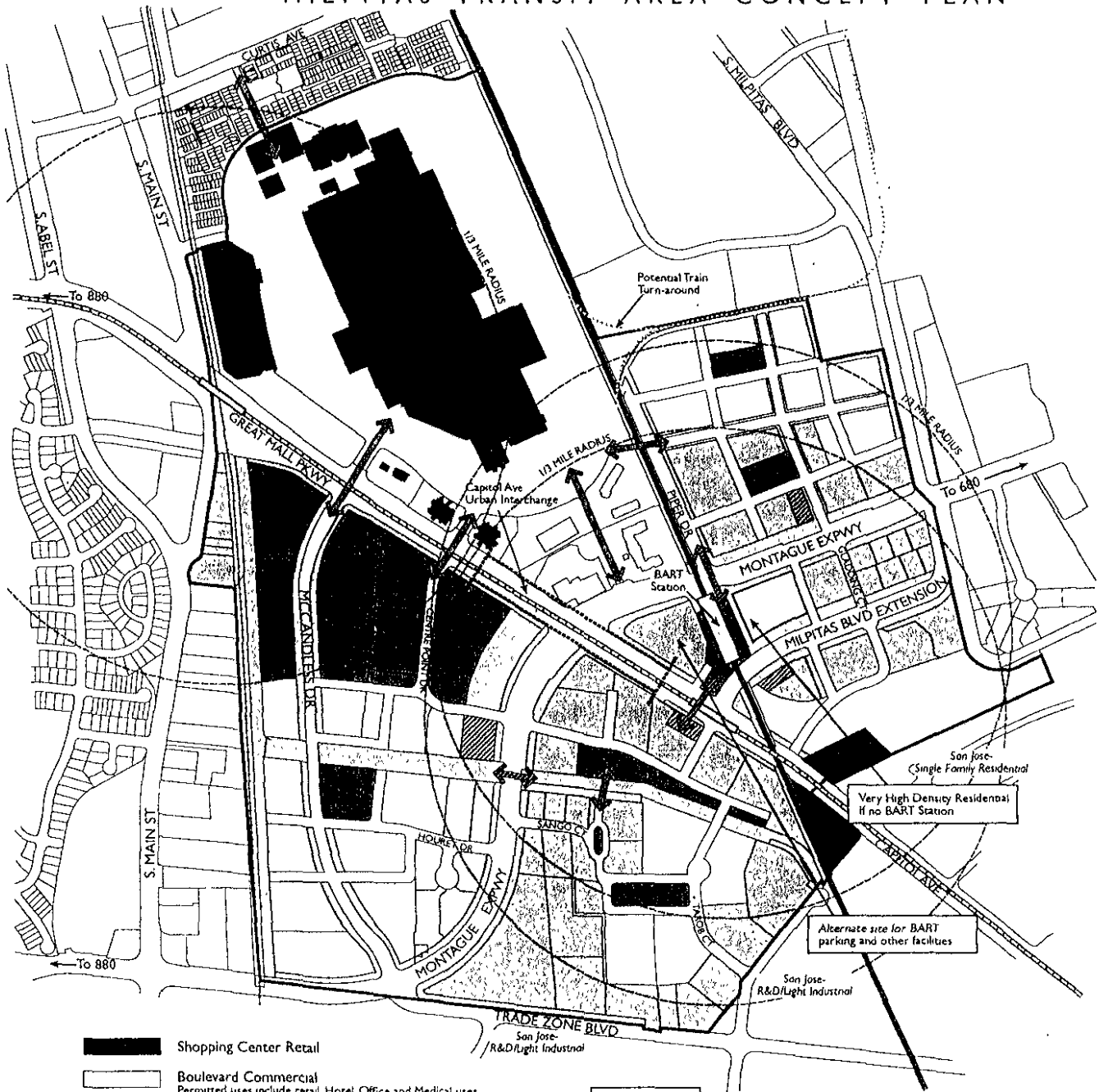
**Two Alternative Conceptual Land Use Plans Recommended by
The Planning Commission on March 23, 2005,
Plus Informational “Existing Zoning/Specific Plan
Components” Sheet**











MILPITAS TRANSIT AREA CONCEPT PLAN

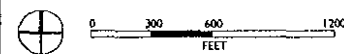
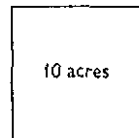








Figure 7
Existing Zoning/Specific Plan Components

MILPITAS TRANSIT AREA CONCEPT PLAN



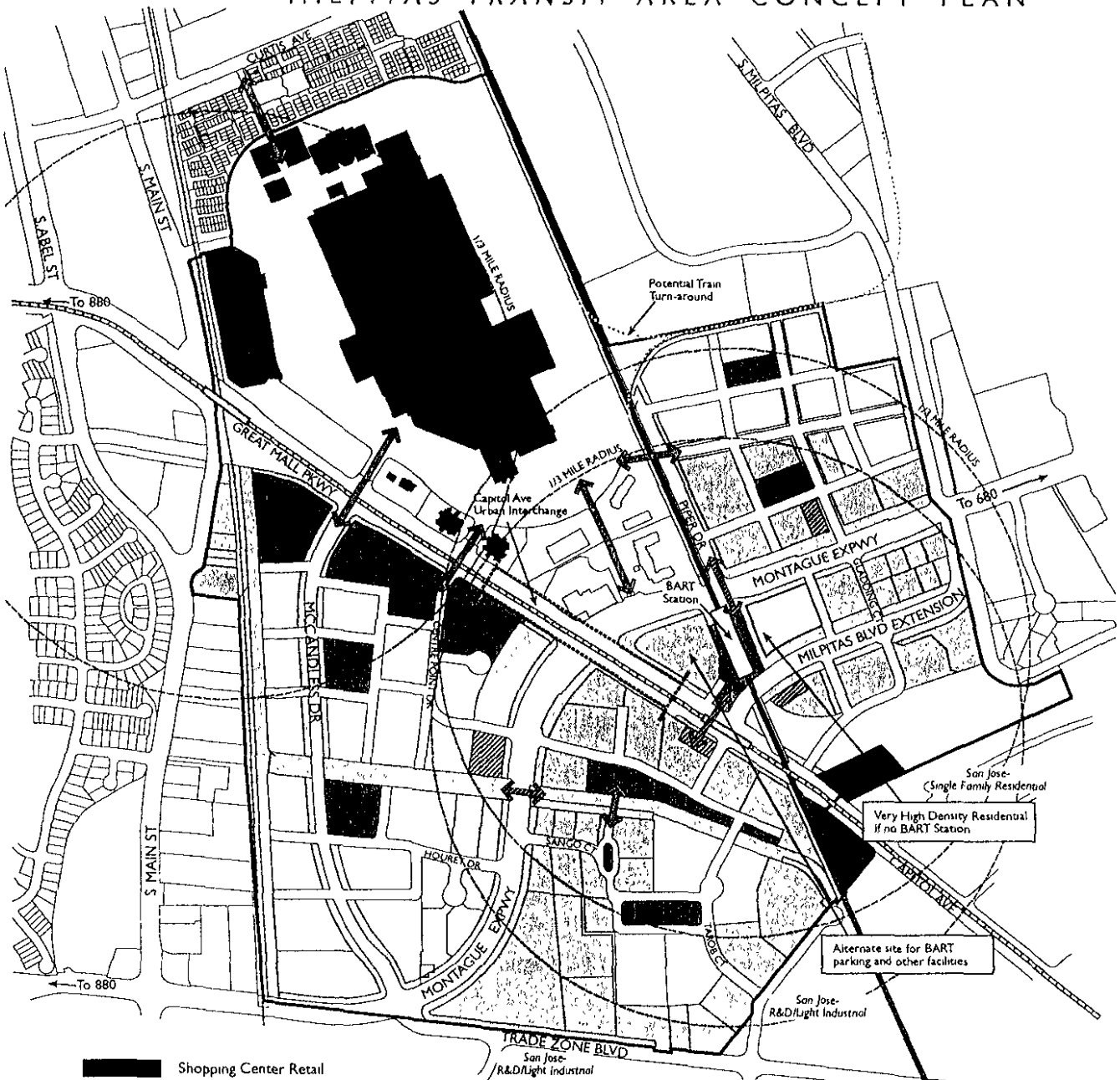
-  Shopping Center Retail
-  Boulevard Commercial
Permitted uses include retail, Hotel, Office and Medical uses
Up to 1 sq ft of housing permitted for every 2 sq ft of non-residential
minimum gross density of 1.5 FAR; up to 3.0 maximum FAR, 4-16 stories
-  Retail Mixed Use
Community and Regional Retail, Hotels also permitted
Housing or Office use permitted on upper floors Maximum FAR of 3.0
-  Residential Neighborhood Retail Location
-  Very High Density Transit Oriented Residential
41 un/vac minimum average gross density; 60 un/vac maximum average gross density;
4-12 stories; gross densities of individual projects may be <40 or >60, provided
that area development complies with average gross density; small local-serving
retail permitted at ground floor
-  High Density Transit Oriented Residential
31 un/vac minimum average gross density; 60 un/vac maximum average gross density;
3-5 stories; gross densities of individual projects may be <30 or >60, provided
that area development complies with average gross density; residential uses only
-  Transit Facilities
-  Light Industrial/R & D/ Warehouse Retail
-  Parks/Plazas
-  Landscaped Front Yards/Buffers/Creekside Landscaping



-  Proposed BART Line
-  VTA Light Rail Transit
-  Union Pacific Railroad and Railroad Spur
-  Study Area
-  Pedestrian Connection
-  Pedestrian Bridge

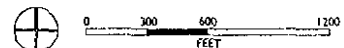
Concept Plan

MILPITAS TRANSIT AREA CONCEPT PLAN



- Shopping Center Retail
- Boulevard Commercial
Permitted uses include retail, Hotel, Office and Medical uses
Up to 1 sq ft. of housing permitted for every 2 sq ft. of non-residential
minimum gross density of 1.5 FAR, up to 3.0 maximum FAR, 4-16 stories
- High Density Mixed Use
Residential, Hotel, or Office uses permitted, mandatory retail or restaurant uses
on ground floor, minimum gross density of 2.0 FAR, up to 4.0 maximum FAR
- Residential Neighborhood Retail Location
- Very High Density Transit Oriented Residential
41 un/ac minimum average gross density; 60 un/ac maximum average gross density,
4-12 stories; gross densities of individual projects may be <40 or >60, provided
that area development complies with average gross density; small local-serving
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that area development complies with average gross density; residential uses only
- Transit Facilities
- Light Industrial/R & D/Warehouse Retail
- Parks/Plazas
- Landscaped Front Yards/Buffers/Creekside Landscaping

10 acres

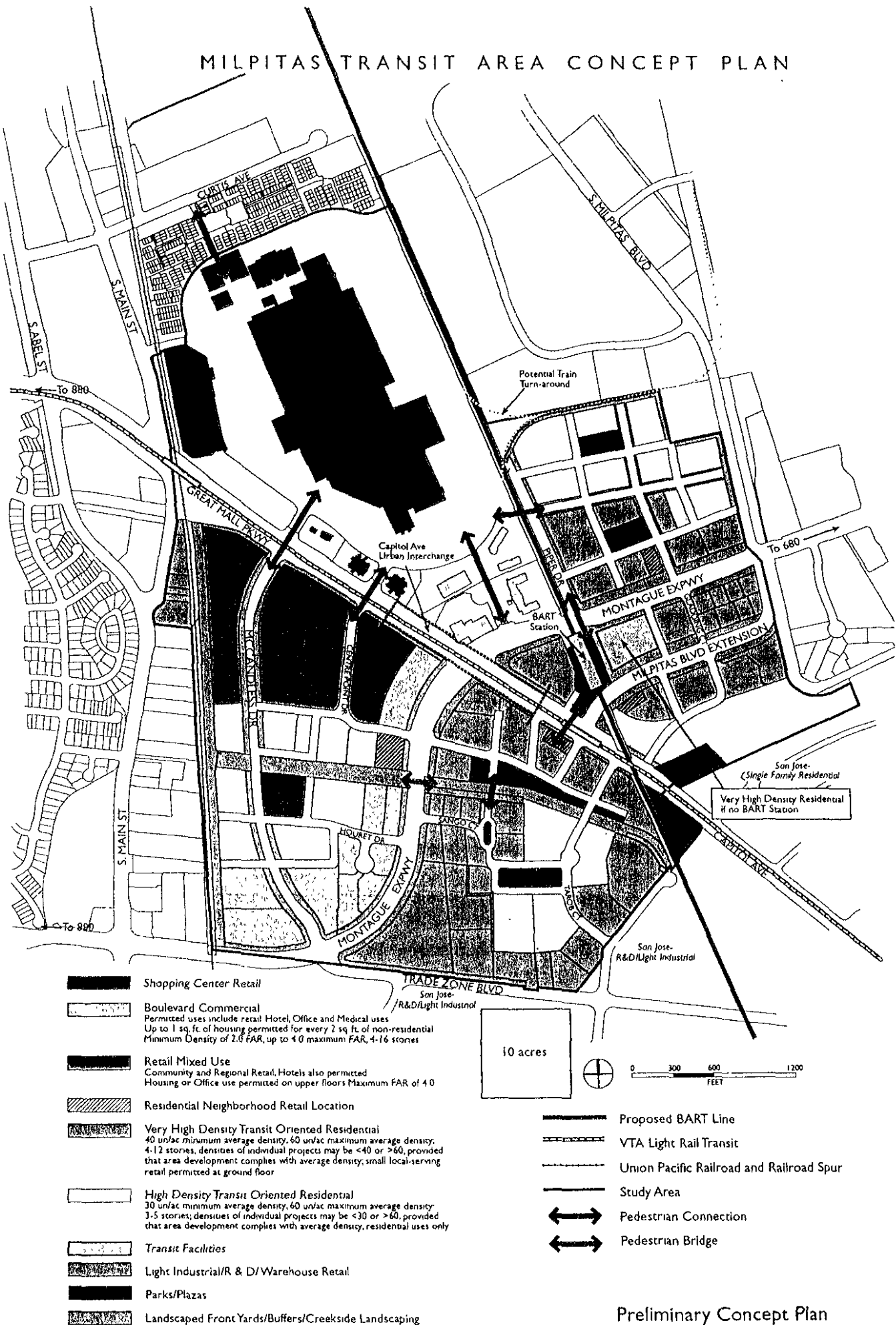


- Proposed BART Line
- VTA Light Rail Transit
- Union Pacific Railroad and Railroad Spur
- Study Area
- Pedestrian Connection
- Pedestrian Bridge

Alternative Concept Plan

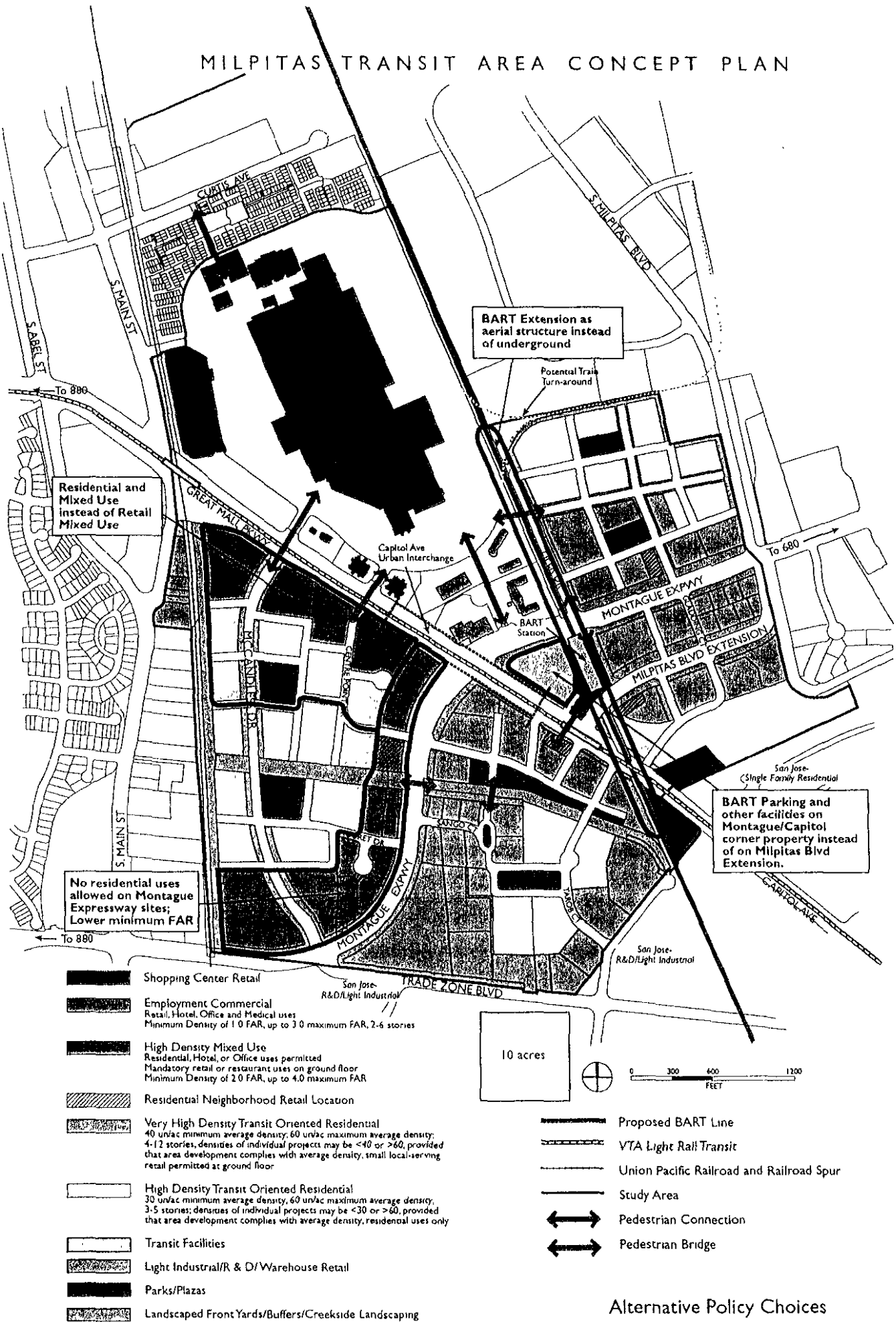
**Plans presented to Planning Commission on
March 23, 2005**

MILPITAS TRANSIT AREA CONCEPT PLAN



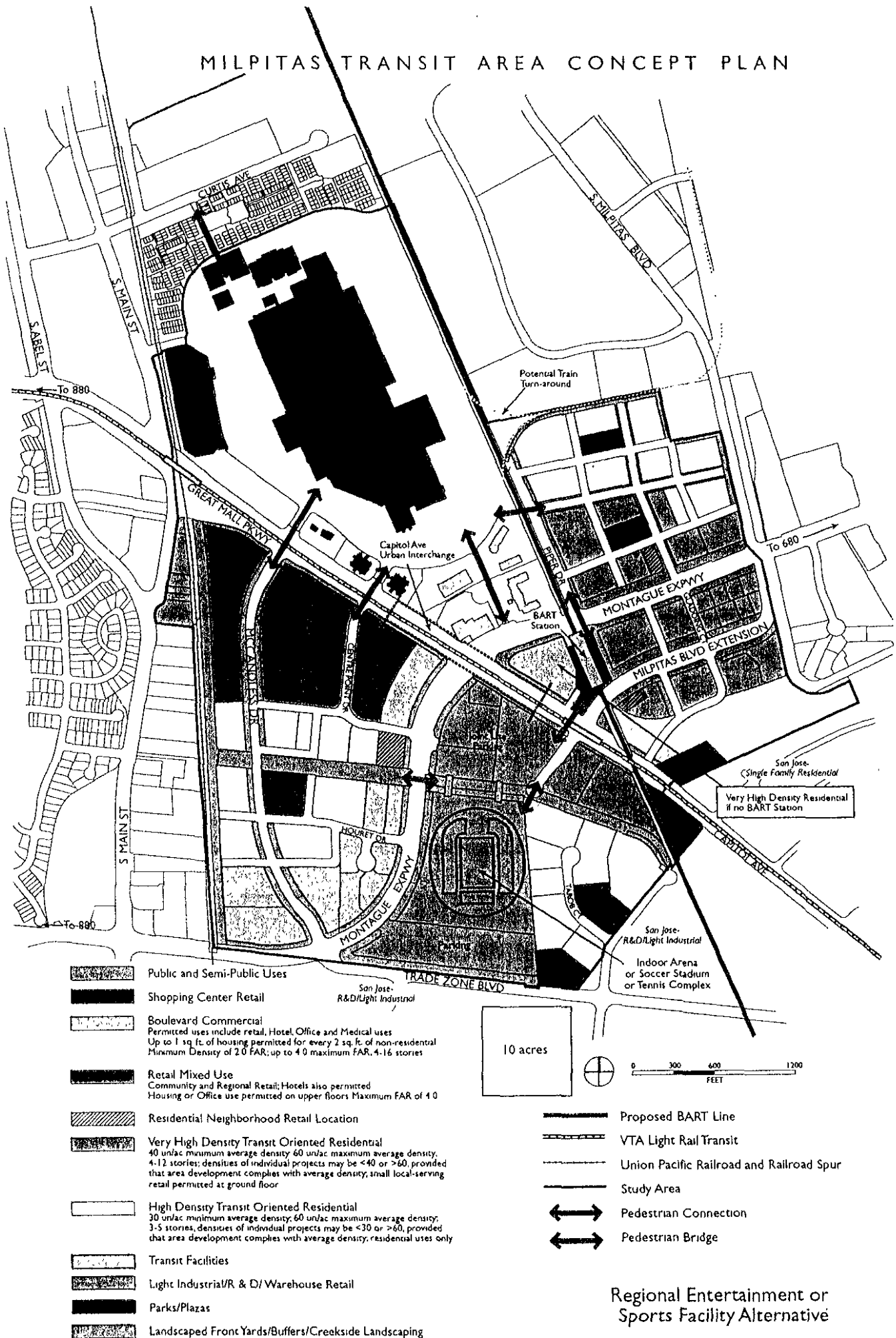
Preliminary Concept Plan

MILPITAS TRANSIT AREA CONCEPT PLAN



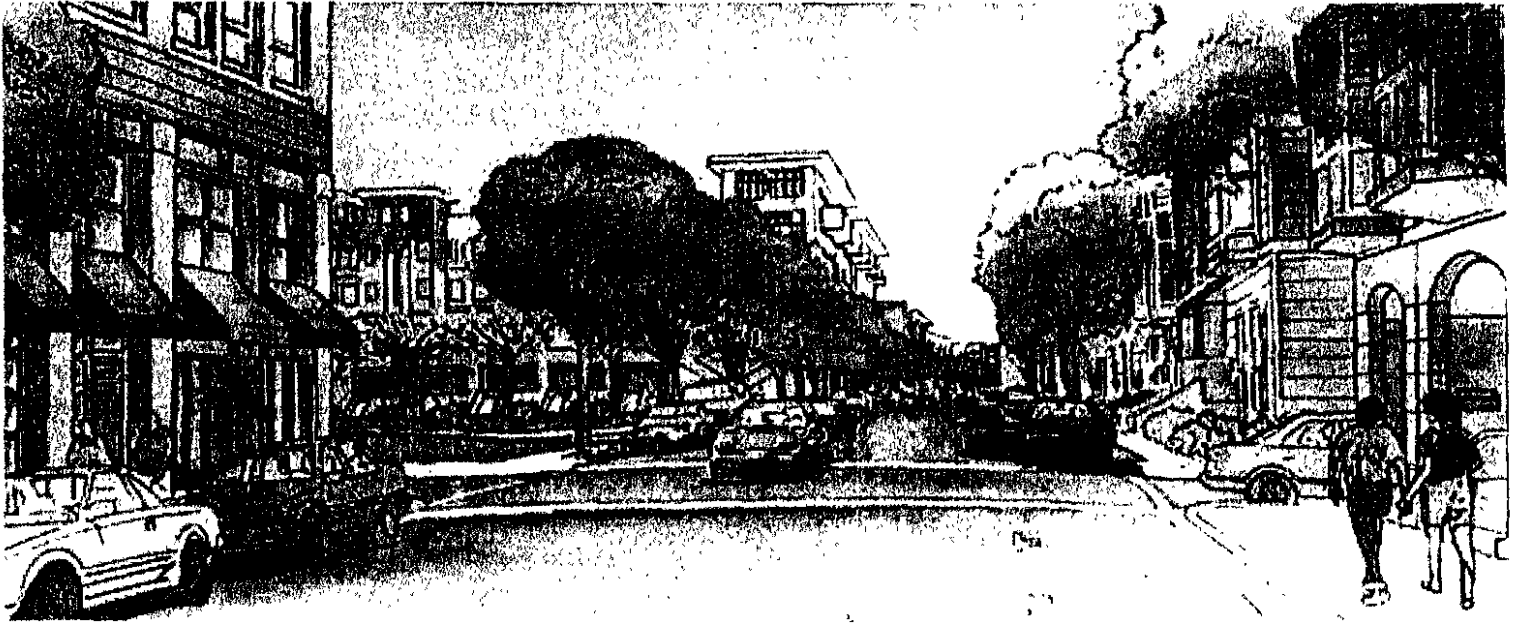
Alternative Policy Choices

MILPITAS TRANSIT AREA CONCEPT PLAN



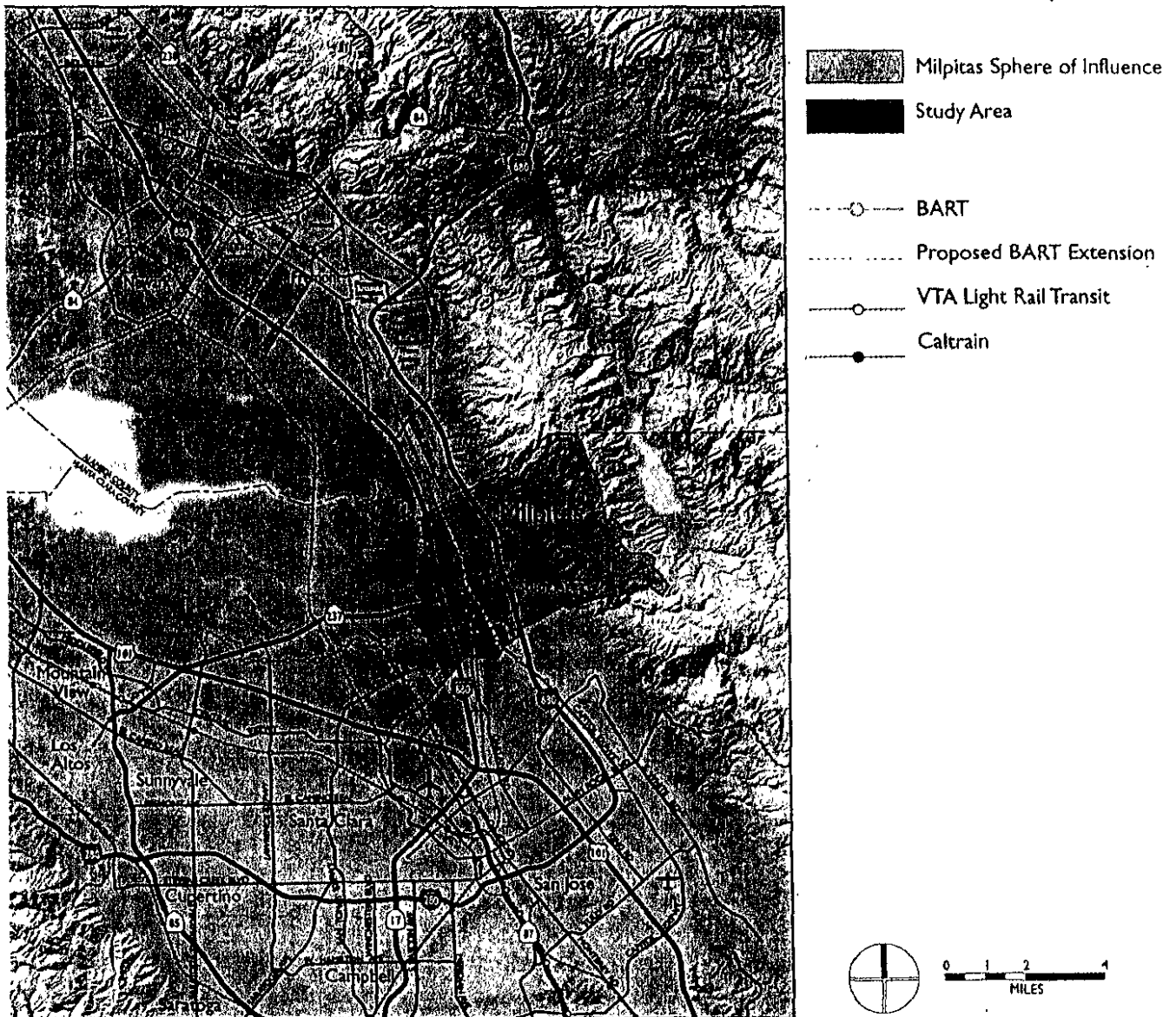
Regional Entertainment or
Sports Facility Alternative

Milpitas Transit Area Concept Plan



MARCH 2005

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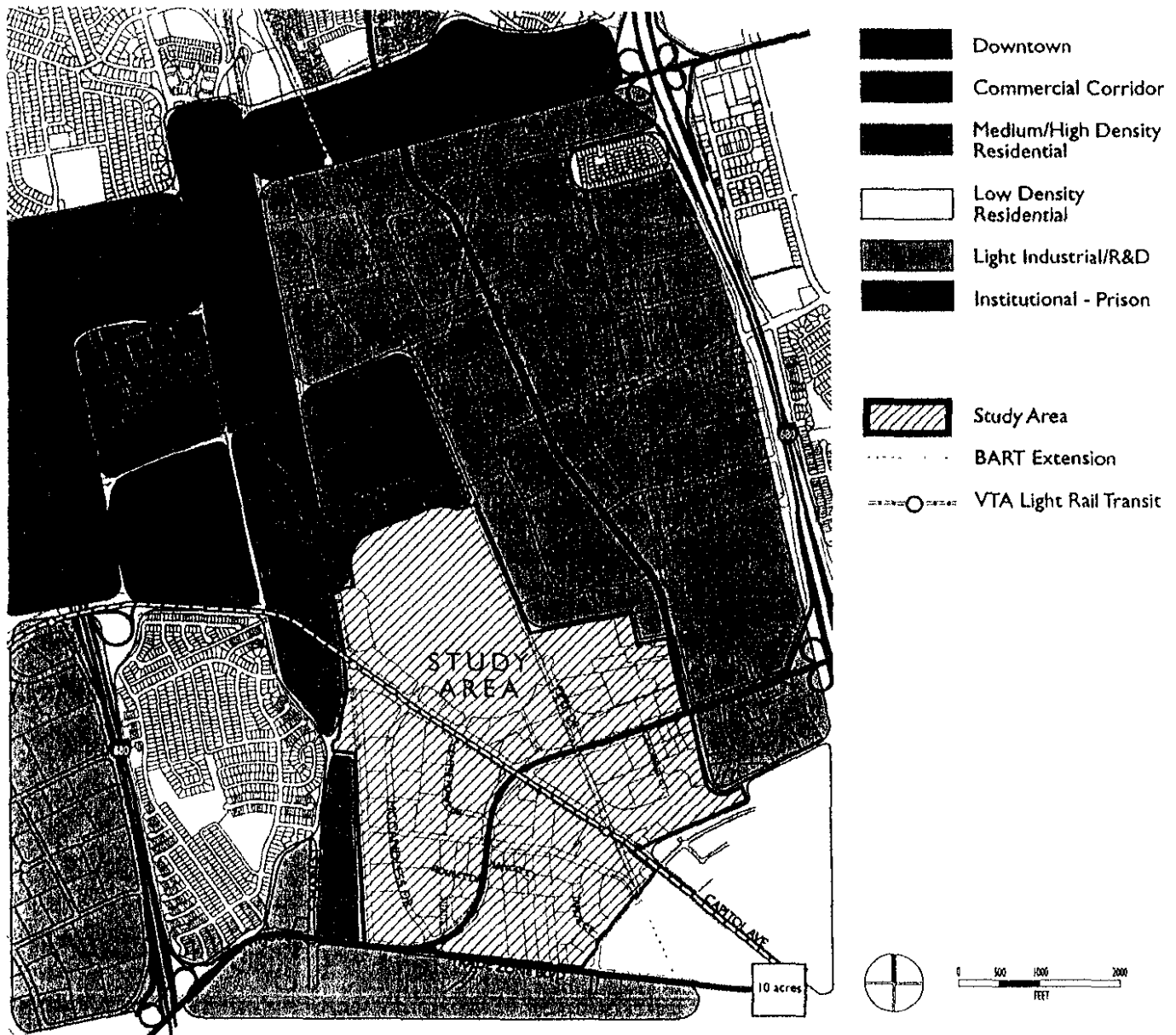
Overall Vision and Goals

The Milpitas Transit Area presents a tremendous opportunity for quality high-intensity development with great freeway and transit access. The site is unique in the Bay Area, offering large land acreages; access to two freeways; two light rail stations, and a future BART station; property owners experienced in real estate development; the Great Mall as a retail anchor; and a City ready to facilitate new private sector development.

Balancing City goals for fiscal health and quality development, regional goals for housing and transportation, and property owner goals, the City has established the following overall vision and goals for the Milpitas Transit Area:

- Transition from an R&D/industrial area to one that supports higher intensity mixed uses.
- Strengthen the city's tax base – provide opportunities for retail and hotel, ownership housing, and high-density employment uses.
- Build transit-oriented development around light rail and future BART stations, with an emphasis on housing to maximize transit ridership and meet regional housing/ transportation goals.
- Build quality neighborhoods and commercial districts that are desirable in the market place and hold their value over time.

MILPITAS TRANSIT AREA CONCEPT PLAN – BACKGROUND



Background

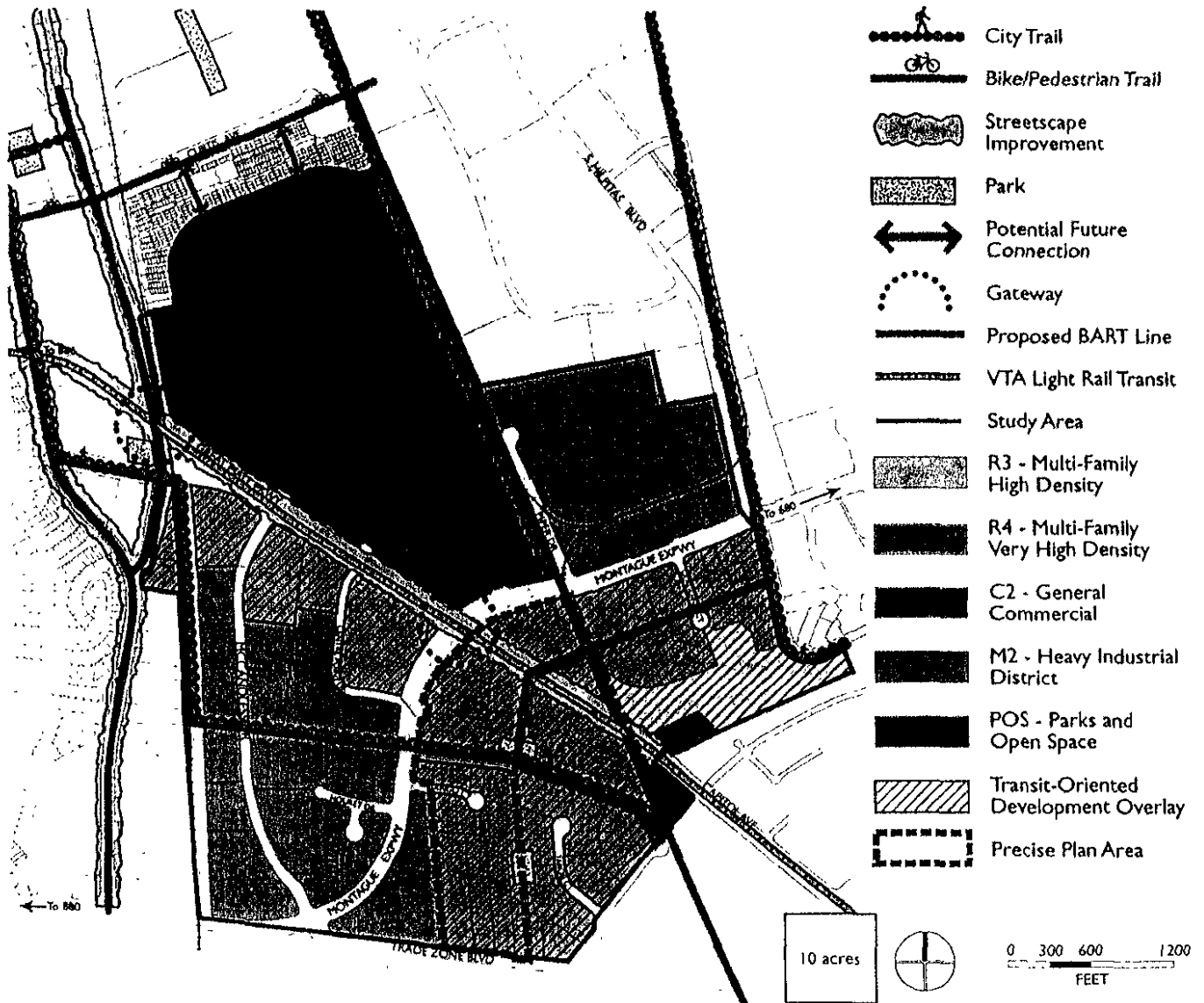
The City of Milpitas is a largely residential community occupying a unique location in the southeastern Bay Area. The city is at the crossroads of I-880 and I-680, Highway 237, and the Montague Expressway. Milpitas' Transit Area lies between these major vehicular routes, enjoys access to two light rail stations, and looks forward to BART service in future years.

Traditional uses in the Transit Area include industrial, light industrial, and warehousing. Recently, housing projects have also appeared, and the residential market is putting pressure on industrially-oriented activities to change.

The market's need for housing, combined with regional goals to place high density residential and mixed uses around transit stations, and plans to reinforce Main Street as a mixed-use corridor north of the Transit Area, are all coming together to alter the southwestern section of the city.

The Milpitas Transit Area Concept Plan is an initial step to give a broad direction to this area. It will be followed by more specific planning, and environmental review.

MILPITAS TRANSIT AREA CONCEPT PLAN – BACKGROUND



Exiting Zoning and the Specific Plan

The Milpitas Midtown Specific Plan provides direction for the traditional downtown areas of the City in terms of land use, circulation, community design, and utilities and services. This document also addresses transit-oriented areas in the southern portion of the City with a transit-oriented overlay zone. It requires a Precise Plan in this overlay zone before development can take place, and this requirement is addressed by the Transit Area Concept Plan. Existing zoning in the Transit Area is based on Specific Plan recommendations and includes the following uses and amenities:

- Industrial uses,
- High-density residential uses ranging from 12 to 40 dwelling units per gross acre,
- A transit-oriented overlay zone with residential densities ranging from 41 to 60 units per gross acre,
- Bicycle and pedestrian trails along drainage channels and railroad tracks, and
- Streetscape improvement projects along Capitol Avenue.

MILPITAS TRANSIT AREA CONCEPT PLAN – BACKGROUND



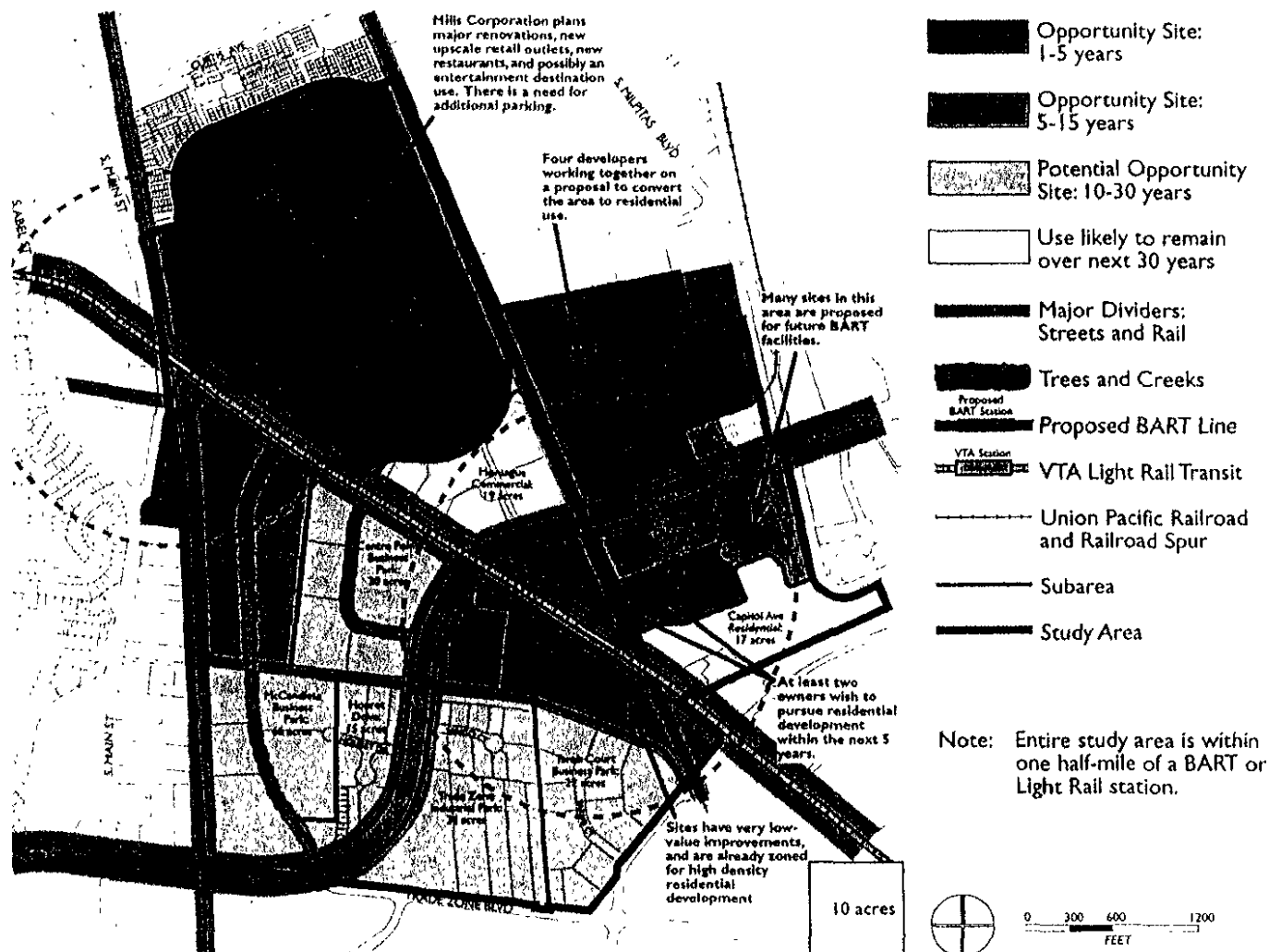
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FEET

Why a New Plan Now?

A variety of factors combined to prompt the preparation of a concept plan for the Milpitas Transit Area. The area presents an ideal opportunity for high intensity development, given its proximity to light rail and future service by BART, as well as the presence of several large underutilized parcels. Promoting such high intensity development around transit stations is a key transportation goal for the Bay Area, and as such would be meeting regional objectives. From a regulatory perspective, the Milpitas Midtown Specific Plan requires further planning specific to the Transit Area, and the Concept Plan was necessary to fulfill this requirement.

In addition to these planning goals and objectives, there is significant market interest from developers and property owners in the southern portion of the City. These stakeholders would like to begin development as soon as possible, and are interested in seeing changes in current zoning that would allow more housing, as currently driven by demand. The Concept Plan is a first step in giving overall direction to the area, before such changes – and significant new development – can occur.

MILPITAS TRANSIT AREA CONCEPT PLAN – OPPORTUNITY SITES



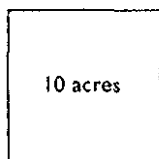
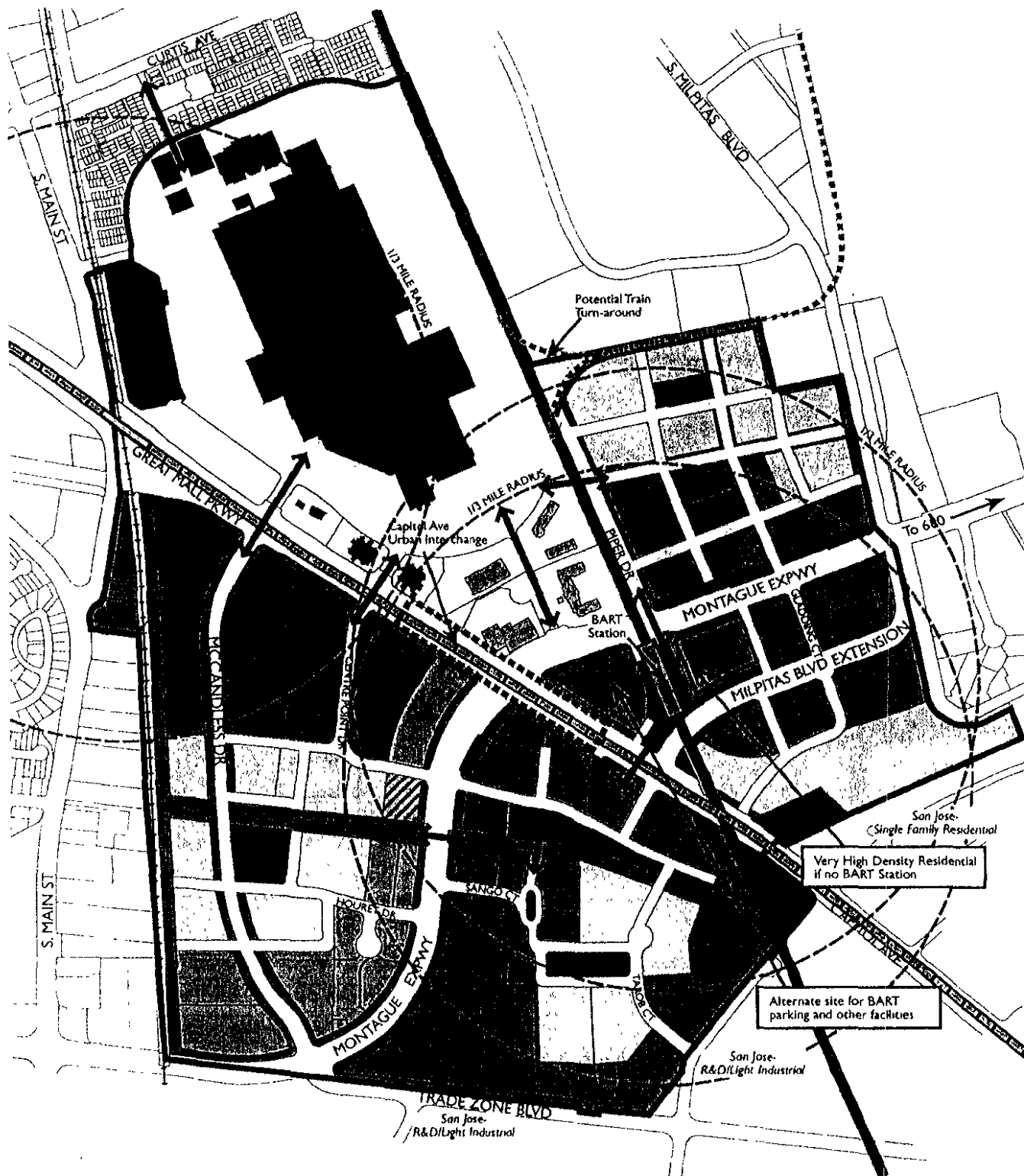
Opportunity Sites and Phasing

Based on conversations with property owners, future changes can be expected in several phases. Many would like to continue current uses and tenants over the next 10 years, while some are interested in converting industrial land for residential development in the short run. In either case a series of development issues need to be resolved before major land use changes can occur, including the question of land use acquisition for BART.

Properties where change is expected in the short term are shown in orange. Expected short term changes include:

- Renovations, re-tenanting, and increased parking for the Great Mall;
- Piper/Montague Area converting to residential; and
- Capitol Avenue sites converting to residential.

MILPITAS TRANSIT AREA CONCEPT PLAN








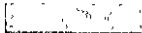






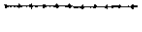



0

300

600

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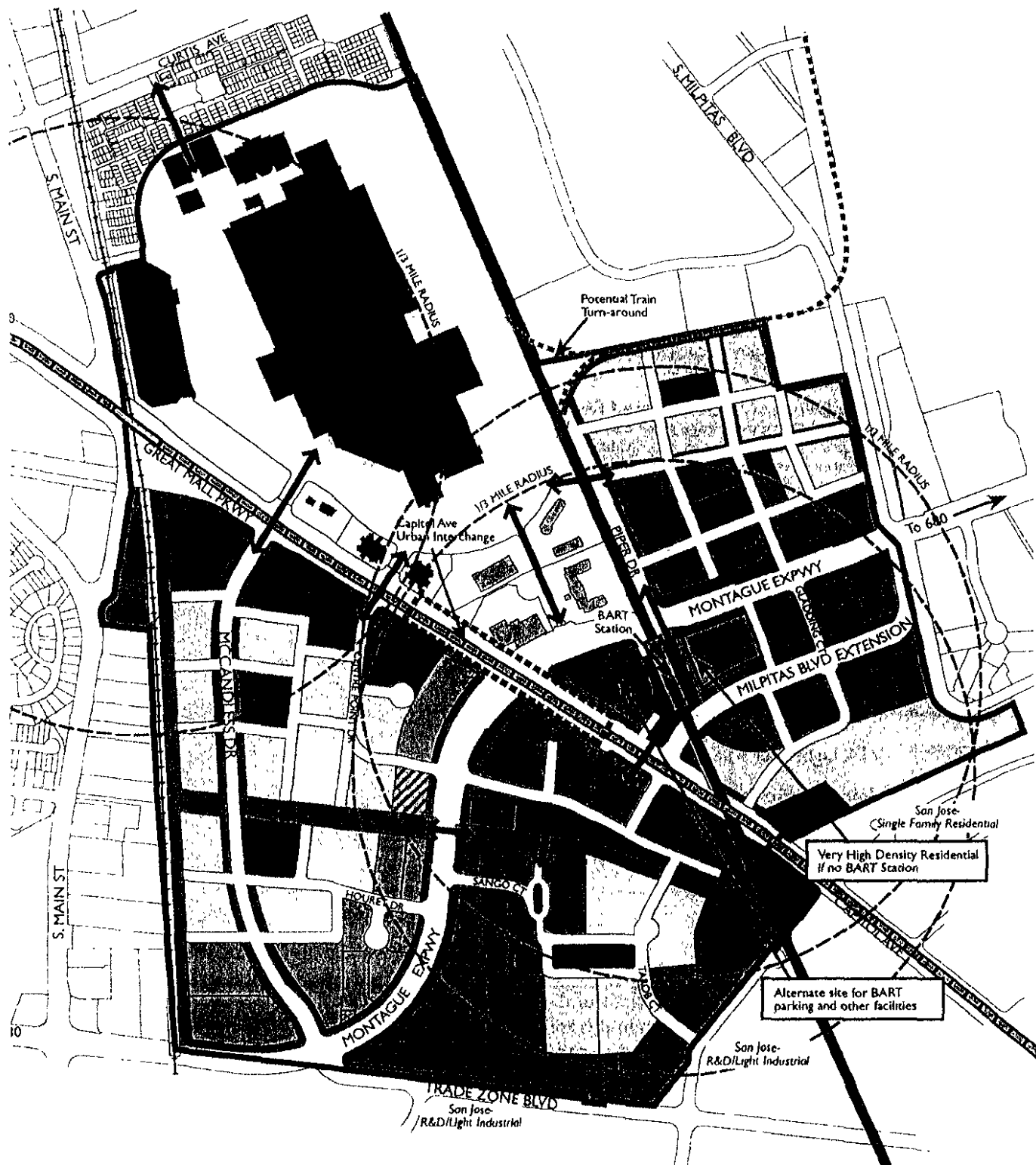
FEET

-  Shopping Center Retail
-  Boulevard Commercial
Permitted uses include retail, Hotel, Office and Medical uses
Up to 1 sq. ft. of housing permitted for every 2 sq. ft. of non-residential
minimum gross density of 1.5 FAR; up to 3.0 maximum gross FAR, 4-16 stories
-  Retail Mixed Use
Community and Regional Retail; Hotels also permitted
Housing or Office use permitted on upper floors. Maximum gross FAR of 3.0
-  Residential Neighborhood Retail Location
-  Very High Density Transit Oriented Residential
41 un/ac minimum average gross density; 60 un/ac maximum average gross density;
4-12 stories; gross densities of individual projects may be <40 or >60, provided
that area development complies with average gross density; small local-serving
retail permitted at ground floor
-  High Density Transit Oriented Residential
31 un/ac minimum average gross density; 60 un/ac maximum average gross density;
3-5 stories; gross densities of individual projects may be <30 or >60, provided
that area development complies with average gross density; residential uses only
-  Transit Facilities
-  Light Industrial/R & D/Warehouse Retail
-  Parks/Plazas
-  Landscaped Front Yards/Buffers/Creekside Landscaping
-  Proposed BART Line
-  VTA Light Rail Transit
-  Union Pacific Railroad and Railroad Spur
-  Study Area
-  Pedestrian Connection
-  Pedestrian Bridge






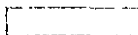






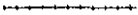



The concept plan represents a physical synthesis of the vision and goals for the Transit Area, taking into account the interests and concerns of all the stakeholders in this zone. It tackles the project area by sub-areas, with each providing a solid, high quality neighborhood served by site-specific development types and an individual set of amenities. Key concept plan elements include:

- **Retail Mixed Use:** A strong retail core and hotel site along Great Mall Parkway. Either big box retail or lifestyle retail with housing and office on upper floors.
- **Boulevard Commercial.** High-density retail and employment along Montague Expressway with a landscaped boulevard character. Opportunities to incorporate residential uses on upper floors or away from Montague Expressway.
- **Very High Density Transit-Oriented Residential.** Residential mixed-use districts near BART and light rail stations.
- **High Density Transit-Oriented Residential.** Medium-density residential neighborhoods further from BART, at the interior of sub-areas.

MILPITAS TRANSIT AREA CONCEPT PLAN - ALTERNATIVE CONCEPT PLAN



MILPITAS TRANSIT AREA CONCEPT PLAN - ALTERNATIVE CONCEPT PLAN

-  Shopping Center Retail
-  Boulevard Commercial
Permitted uses include retail, Hotel, Office and Medical uses
Up to 1 sq. ft. of housing permitted for every 2 sq. ft. of non-residential
minimum gross density of 1.5 FAR; up to 3.0 maximum gross FAR, 4-16 stories
-  High Density Mixed Use
Residential, Hotel, or Office uses permitted; mandatory retail or restaurant uses
on ground floor; minimum gross density of 2.0 FAR; up to 4.0 maximum gross FAR
-  Residential Neighborhood Retail Location
-  Very High Density Transit Oriented Residential
41 un/ac minimum average gross density; 60 un/ac maximum average gross density;
4-12 stories; gross densities of individual projects may be <40 or >60, provided
that area development complies with average gross density; small local-serving
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31 un/ac minimum average gross density; 60 un/ac maximum average gross density;
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-  Parks/Plazas
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-  Proposed BART Line
-  VTA Light Rail Transit
-  Union Pacific Railroad and Railroad Spur
-  Study Area
-  Pedestrian Connection
-  Pedestrian Bridge

The alternative concept plan shifts the emphasis from retail to residential in the northern portion of the Great Mall/Montague subarea, across the street from the Great Mall. In this scenario, Great Mall Parkway is fronted with high density mixed use, and parcels behind the parkway frontage are designated high density transit oriented residential, expanding the residential neighborhood in the interior of the subarea. Great Mall Parkway would be lined with high density residential, hotel, or office uses, and retail and restaurant uses would be required at the ground floor. This scenario would not accommodate big box retail or a lifestyle retail mall, because those require larger and deeper lots and are a lower intensity use.

The high density mixed use designation assigns a higher range of intensities. It sets a minimum FAR of 2.0 whereas retail mixed use has no FAR minimum, and allows a maximum FAR of 4.0 instead of 3.0. There is a greater amount of residential development, and less retail and employment development, than the concept plan.

MILPITAS TRANSIT AREA CONCEPT PLAN

Lifestyle Retail with Housing or Office above on McCandless



Current conditions along McCandless Drive.

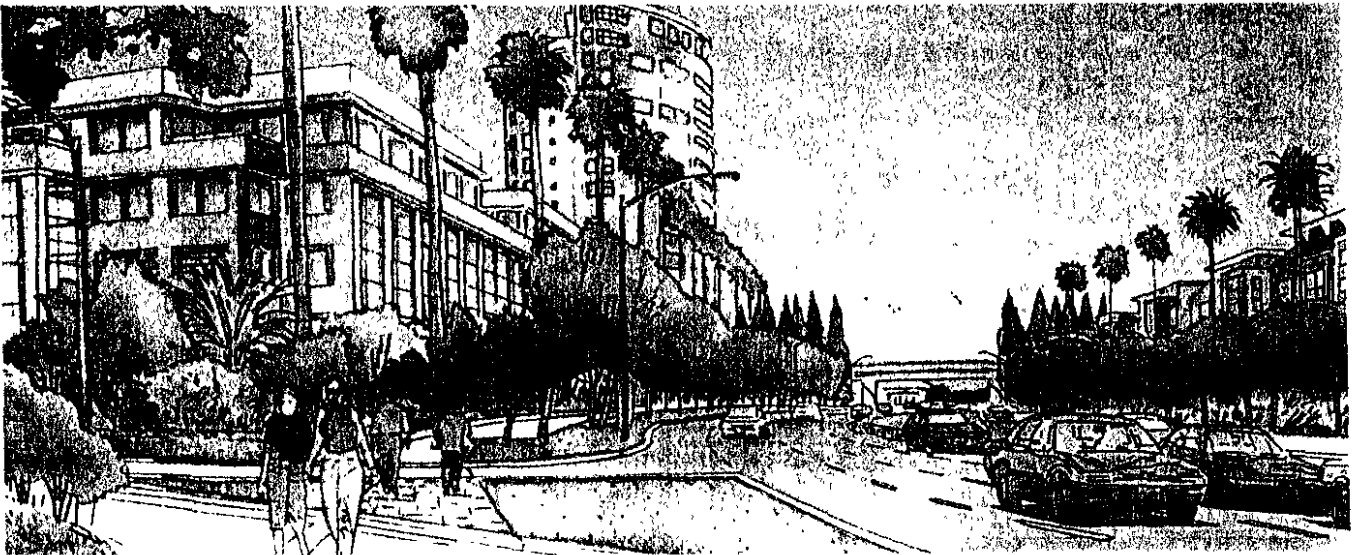


Planned changes to McCandless Drive.

Boulevard Commercial and Residential on Montague Expressway

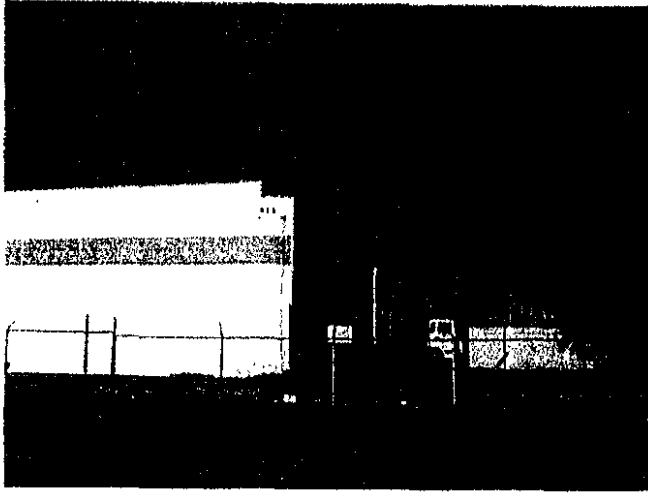


Current conditions on Montague Expressway.



Planned changes to Montague Expressway.

Residential Neighborhood near Light Rail and the Future BART Station

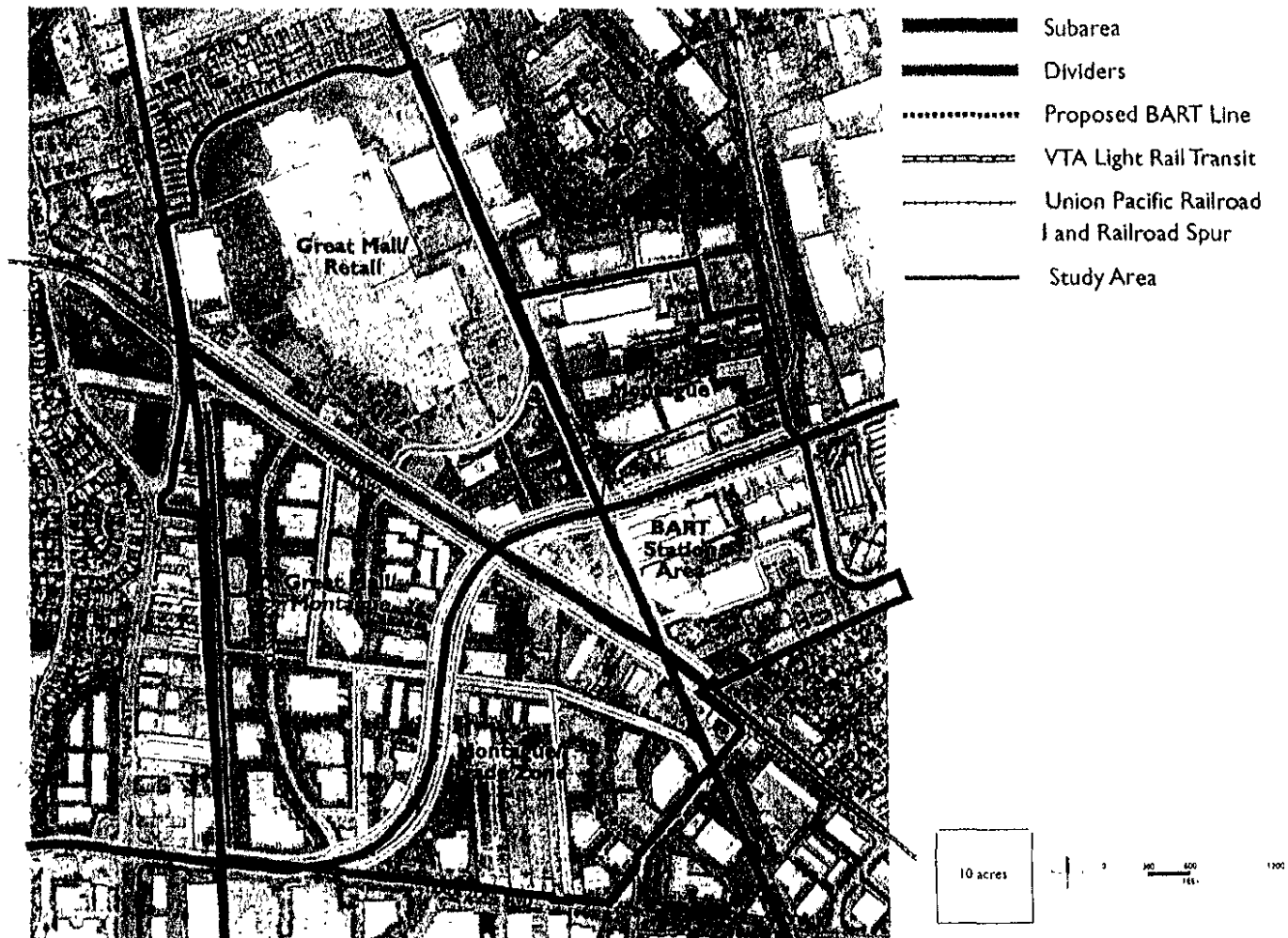


Current conditions in the Piper/Montague neighborhood.



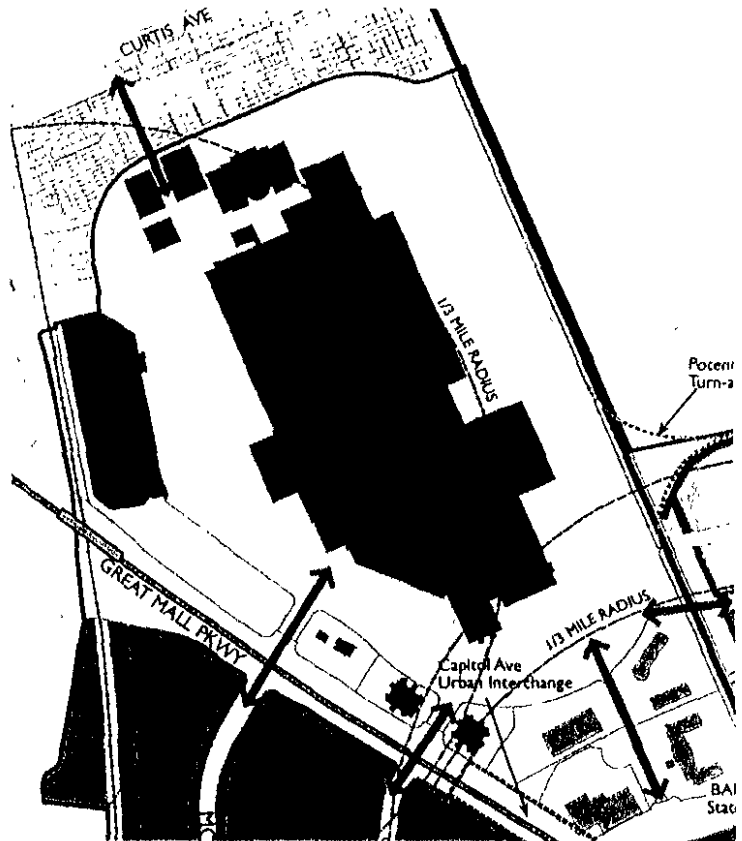
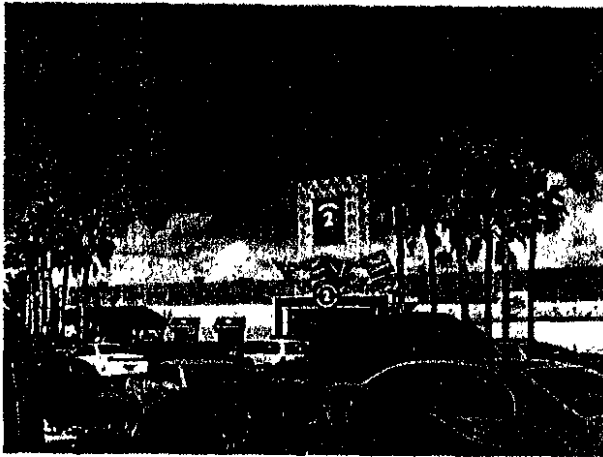
Planned changes to Piper Montague, including high to very high density housing and parks.

MILPITAS TRANSIT AREA CONCEPT PLAN - SUBAREAS



A series of existing boundaries, including thoroughfares, expressways, and railroad tracks, divides the Transit Area into five distinct subareas. Each has a unique character at present that will develop further as Concept Plan ideas are put into place by new construction. Plans for the subareas are discussed and illustrated on the following pages. The subareas are:

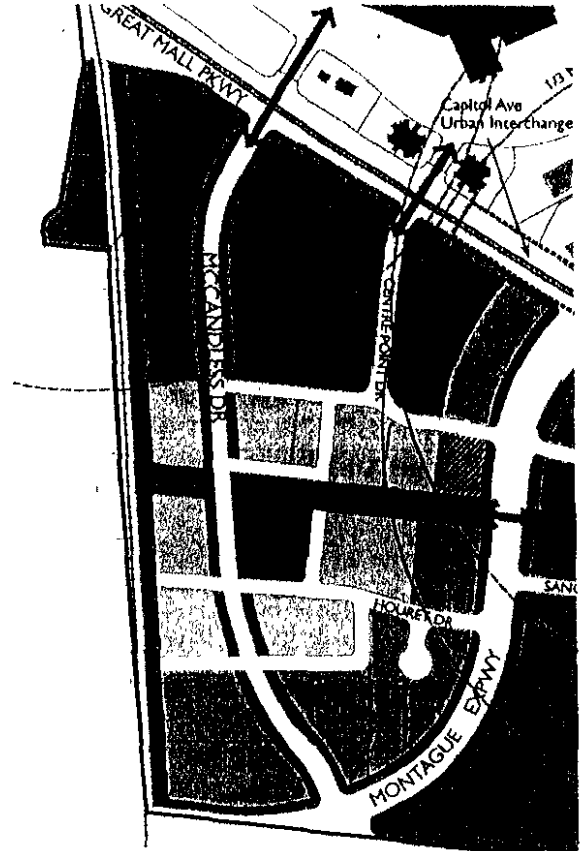
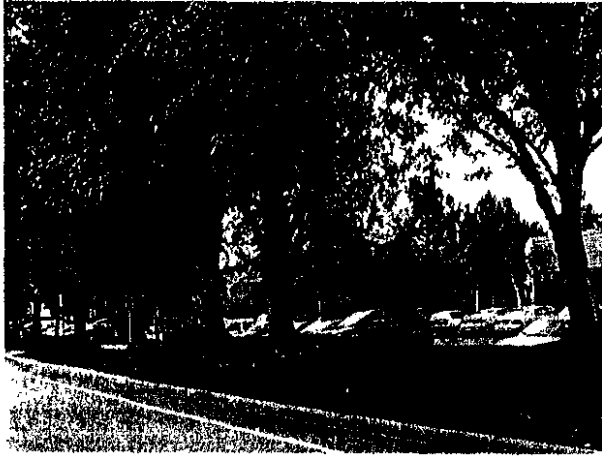
- Great Mall Retail,
- Great Mall/Montague,
- Montague/Trade Zone,
- BART Station Area, and
- Piper/Montague.



Great Mall Retail

The Great Mall Retail area will remain focused on retail activities around the Great Mall of the Bay. This facility will be upgrading and consolidating its tenant mix, conducting basic remodeling, and creating connections to surrounding areas in order to continue to serve clients on a regional level. Plans for this sub-area include:

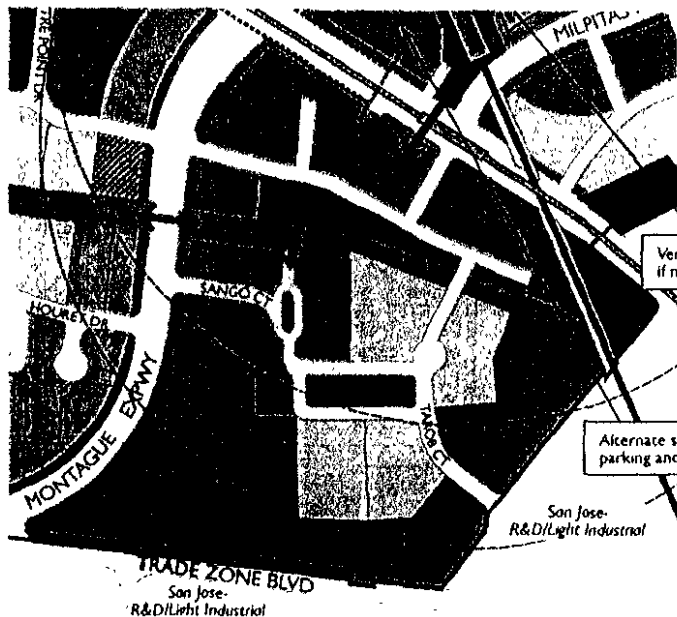
- Adding new tenants to strengthen sales and consolidate existing retail tenants;
- Adding restaurants;
- Adding entertainment uses in locations that don't impact residents;
- Adding parking in structure(s) at rear;
- Developing major entries to better connect to surrounding districts;
- Developing pedestrian connection to Montague Expressway;
- Developing pedestrian connection to Piper Drive;
- Developing pedestrian connection at Centre Point Drive into the mall, with new pedestrian-oriented buildings; and
- Developing pedestrian connection from McCandless Drive into the mall.



Great Mall/Montague

This sub-area will build on synergies with the Great Mall, providing either big box or “lifestyle” retail that will complement and reinforce the existing shopping center. Montague Expressway will become a high-density mixed use corridor with a commercial focus and boulevard character, and the interior of Great Mall/Montague will house a high-density residential neighborhood served by a park. Tree-lined McCandless Drive will become the center piece of this residential area, and could provide a regional shopping destination in the northern portion of the sub-area. Great Mall Montague will:

- Allow retail and hotel uses fronting on Great Mall Parkway with residential or office uses above,
- Maintain existing tree-lined landscape character along McCandless Drive;
- Support a different type of retail than the Great Mall, such as big box or “lifestyle” retail;
- Provide a high-density residential neighborhood at the interior, fronting on a park; and
- Allow employment and hotel uses fronting Montague Expressway with a percentage of residential uses permitted as well.

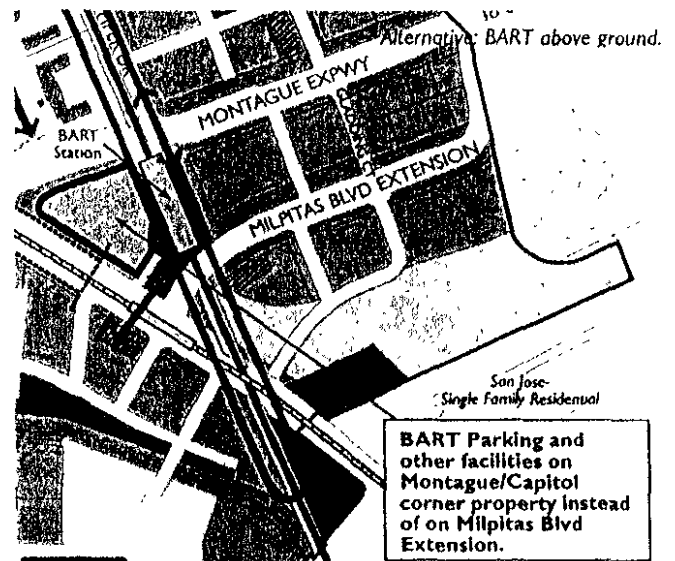
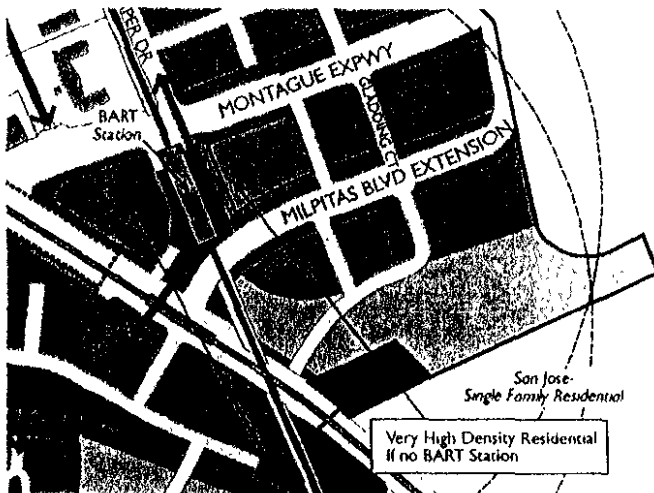


Montague/Trade Zone

This neighborhood will provide very high-density housing and mixed uses around transit stations, supporting regional ridership and housing goals. The interior portions of Montague/Trade Zone will contain high-density housing, and three parks will serve the various residential zones. Along Milpitas' border with San Jose, light industrial and warehousing uses will mirror uses on the other side of Trade Zone Boulevard and Lundy Avenue in order to create a continuous street character and maintain some of the area's industrial activity. Goals for this sub-area are to:

- Provide very high-density residential mixed-use near BART and light rail stations served by a linear park along the drainage-way;
- Provide high-density residential development at the interior of the sub-area, with a park;
- Develop pedestrian connections across the drainage-way linking to BART and light rail stations;
- Allow R&D or warehouse commercial at Montague Expressway and Trade Zone Boulevard; and
- Allow light industrial and R&D fronting Trade Zone Boulevard and Lundy.

MILPITAS TRANSIT AREA CONCEPT PLAN – BART STATION AREA



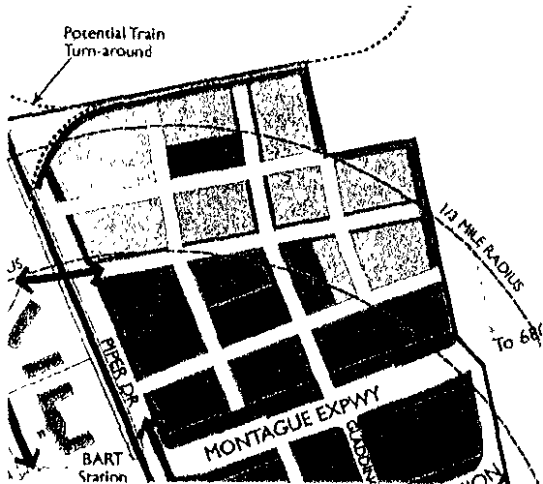
High quality design in parking garages in Denver (left) and Boulder (right), Colorado.

BART Station Area

The BART Station Area will focus on providing high-density residential near transit, while at the same time accommodating BART needs such as parking and drop off areas. An extension of Milpitas Boulevard will give access to the neighborhood and to BART. The following steps are central to objectives for the sub-area:

- Create a residential neighborhood focused on Gladding Court and Milpitas Boulevard;
- Separate BART and bus traffic from the residential area to the maximum extent feasible;
- Provide high-density residential development at the corner of Montague Expressway and Capitol Avenue if BART line is below ground;
- Extend Milpitas Boulevard south, with landscape setbacks;
- Provide BART parking, bus, and drop-off areas with extensive landscaping;
- Require high-quality design for the BART parking garage including detailed façade and window frames; and
- Provide a small amount of neighborhood commercial that also serves BART patrons.
- Provide substantial landscape setbacks between the BART line and residential development, if the BART line is above ground.

MILPITAS TRANSIT AREA CONCEPT PLAN – PIPER/MONTAGUE



Neighborhood park (above) and café(below) in San Francisco's South Beach.

Piper/Montague

Piper/Montague will become a comfortable, high-quality residential neighborhood providing high densities near transit. It will be served by a regular street grid providing access to pedestrians and cars, parks, attractive streetscapes, and a small amount of neighborhood-serving retail close to BART. Plans to achieve this include:

- Creating a high-density transit-oriented residential neighborhood;
- Locating the highest density development closest to BART;
- Relocating the train turnaround either along the northern boundary of the sub-area (within the former Waukesha property), or to other locations outside the concept plan area;
- In the long-term, removing spur tracks from the area or relocating spur to northern boundary line;
- Providing landscape buffers along the BART track, northern property line, and PG&E substation;
- Providing sound walls to separate residential uses from any train tracks;
- Providing a main access street on Milpitas Boulevard straddling property lines, and three right-in right-out streets onto Montague Expressway and Milpitas Boulevard;
- Providing two parks at the centers of block groups;
- Ensuring primary streets have deeper landscaped front yards; and
- Requiring a small amount of neighborhood-serving retail fronting the park near Montague Expressway.

MILPITAS TRANSIT AREA CONCEPT PLAN – BUILDOUT PROJECTIONS

Under the Concept Plan, the Transit Area is expected to intensify greatly, adding both new residential and more concentrated non-residential development. The buildout projections listed below show both a “low” scenario, in which development occurs in the lower range of what is allowed, and a “high” one, where new development achieves the maximum permitted FARs and densities.

The area will gain a significant number of new residential units, ranging from 5,170 to 10,630. This will provide an important increase in ridership near light rail and BART stations, as well as increasing housing options for Milpitas residents and the Silicon Valley at large. Neighborhood parks will serve the area, providing ample open space amenities to new residents.

Residential uses will take place in new neighborhoods at Great Mall/Montague, Montague/Trade Zone, the BART Station Area, and Piper/Montague. The greatest potential for new units exists in Great Mall/Montague and Montague/Trade Zone.

Non-residential square footage will range from 2,008,000 to 5,023,000 square feet. This will include retail, office, and hotel uses, offering both employment opportunities and a variety of commercial services to the area.

Non-residential uses will concentrate in Montague/Trade Zone and Great Mall/Montague, with the greatest number of square feet in retail and commercial corridors along Great Mall Parkway and Montague Expressway.

By replacing retail mixed use with high density mixed use and high density transit oriented residential uses in the north of Great Mall/Montague, the Alternative Concept Plan gains both units and non-residential square footage in the low end buildout scenario, and gains some units while losing some non-residential square footage in the high-end scenario.

Milpitas Transit Area Buildout Projections

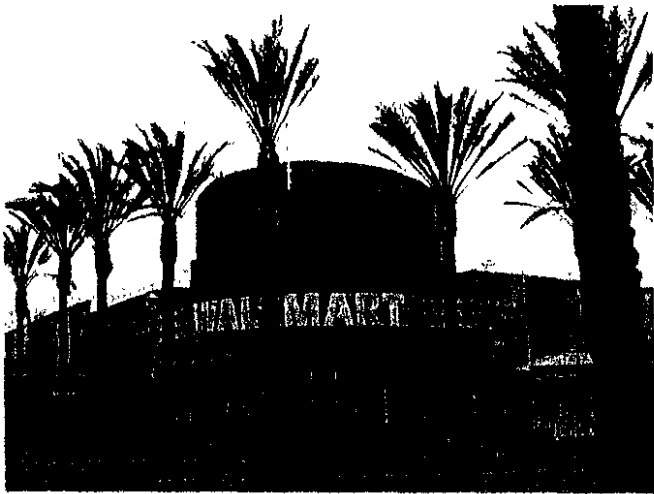
	Concept Plan	Alternative Concept Plan
<i>Total Residential units</i>		
<i>Low</i>	5,170	6,340
<i>High</i>	10,630	10,930
<i>Total Non-residential s.f.</i>		
<i>Low</i>	2,008,000	2,091,000
<i>High</i>	5,023,000	4,381,000

MILPITAS TRANSIT AREA CONCEPT PLAN – DEVELOPMENT TYPES

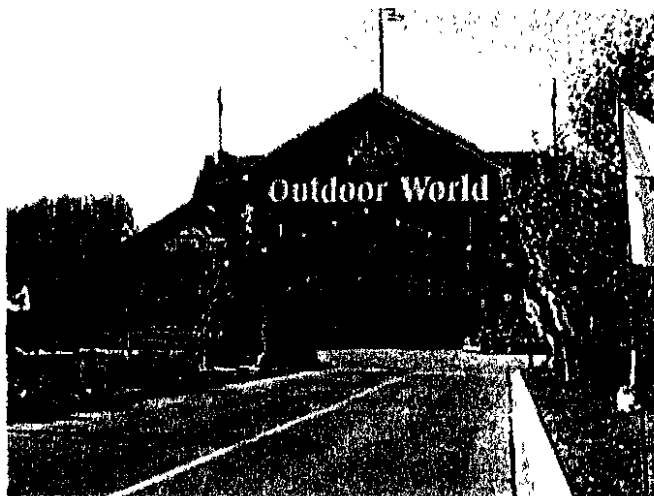
The following images show built examples from other places of what is possible and desirable for the Concept Plan area. These development types will be distributed in the sub-areas, creating a different character in residential neighborhoods, along wide boulevards, and in shopping districts, to provide variety and interest in the plan area at large.

Big Box Retail

Big box retail brings much-needed goods and services to local and regional shoppers, as well as sizable sales tax income to cities. Retailers such as Bass Pro and Home Expo would synergize with the Great Mall of the Bay, providing new shopping opportunities and reinforcing Milpitas' existing retail base. Big box retail is possible on large lots, and can be wrapped with small-scale retail on the street side to give a pedestrian scale.



Walmart wrapped with small-scale retail in Long Beach.



Bass Pro



Home Expo

Lifestyle Retail

Lifestyle retail along McCandless Drive would provide a tree-lined, high-quality shopping experience. The right combination of shops and restaurants, together with a stunning setting provided by the canopy of mature vegetation, would create a destination commercial corridor in the tradition of Bay Street in Emeryville or Santana Row in San Jose. Local residents would be served by amenities targeted to the immediate population as well. A lifestyle retail corridor would be characterized by:

- Community or regional retail uses;
- Pedestrian-orientation – entrances along the street and parking to the rear or side of buildings;
- Restaurants and outdoor cafes;
- Housing or office permitted above retail; and
- A public plaza or green space within the area.



Bay Street. Emeryville, California



Santana Row. San Jose, California

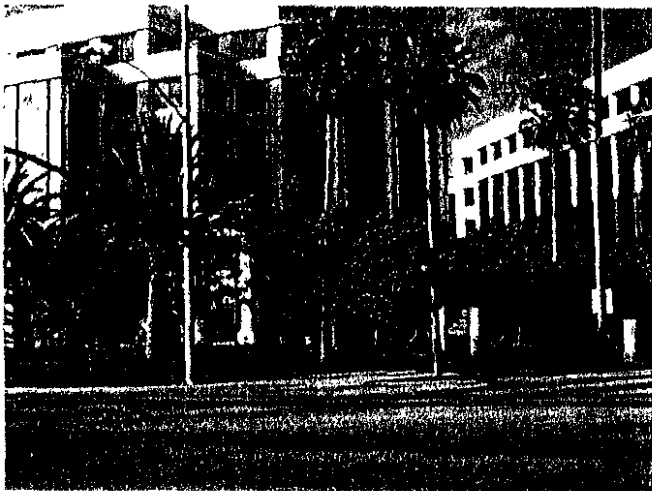
MILPITAS TRANSIT AREA CONCEPT PLAN – DEVELOPMENT TYPES

Boulevard Commercial

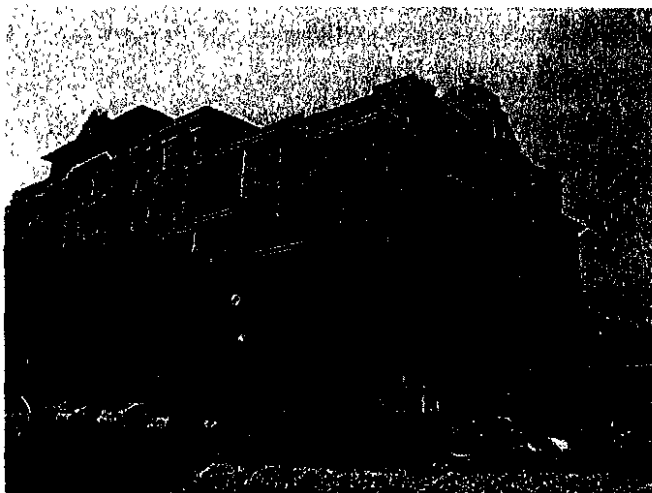
Montague Expressway will become a grand boulevard, with high-intensity, high-rise mixed-use structures lining the street, framed by a deep landscape setback and rows of trees. The taller buildings and greenery bordering the wide right-of-way will give it and the City of Milpitas a strong identity at a gateway point near its transit core. Key aspects of this development type include:

- Office, medical or hotel uses, with ground floor retail or restaurant uses permitted;
- Residential uses permitted up to 35 percent of employment uses created;
- Deep landscape setback;
- Tall buildings encouraged;
- Public open space away from the expressway; and
- Not pedestrian oriented along expressway.

An example of this scale of development in Milpitas is the Embassy Suites at I-680 and Calaveras Boulevard.



Office building. Olympic Boulevard. Santa Monica, California

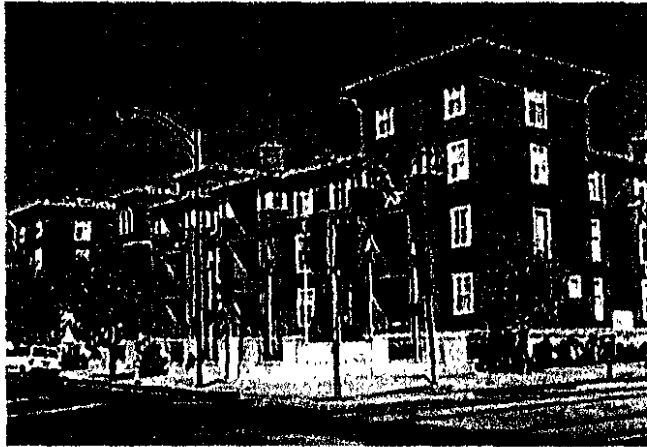


Embassy Suites Hotel. Milpitas, California

Residential Neighborhoods

A series of high and very-high density residential neighborhoods will be at the heart of the Transit Area. These will bring an entirely new character and activity type to southern Milpitas, with clusters of 3 to 4-story housing developments surrounding parks and tree-lined avenues, and served by small amounts of local retail. Residential neighborhoods are described as follows:

- Charming streets with sidewalks and street trees in planter strips next to the curb;
- Units front the streets;
- Average block size of two to three acres;
- Average of one curb cut per block face;
- Parks at the neighborhood center that create neighborhood identity and image;
- A small amount of local retail for each neighborhood;
- Parking located below ground, or behind residential units - exceptions require a use Permit;
- Reduced parking ratios due to proximity to transit - parking on streets serves as guest parking;
- Density is allowed to be averaged over a site or area, and is calculated on a gross basis including streets but excluding park land; and
- Affordable housing requirements.



High density residential – Sacramento, California
40 to 60 du/acre net (32 to 48 du/acre gross)



High density residential – South Bay, California
40 to 50 du/acre net (32 to 40 du/acre gross)



High density residential – San Jose, California
45 du/acre net (36 du/acre gross)



High density residential – Oakland, California
125 du/acre net (100 du/acre gross)

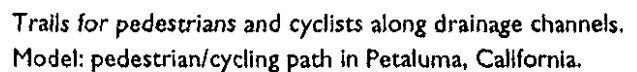
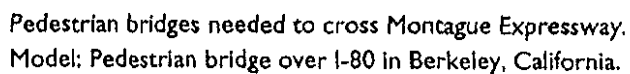
The map illustrates the proposed BART line and various transportation improvements in the San Francisco Peninsula. The proposed BART line is shown as a thick black line, while the Union Pacific Railroad and Railroad Spur are shown as thin black lines. The map also shows various transportation improvements, including street widening, streetscape improvements, gateway improvements, intersection improvements, pedestrian connections, pedestrian bridges, new arterial streets, parks/plazas, and the study area. The map includes a legend, a scale bar, and a north arrow.

Legend:

- Street Widening
- Streetscape Improvements
- Gateway Improvements
- Intersection Improvements
- Proposed BART Line
- Union Pacific Railroad and Railroad Spur
- Pedestrian Connection
- Pedestrian Bridge
- New Arterial Street
- Parks/Plazas
- Study Area

Map Labels:

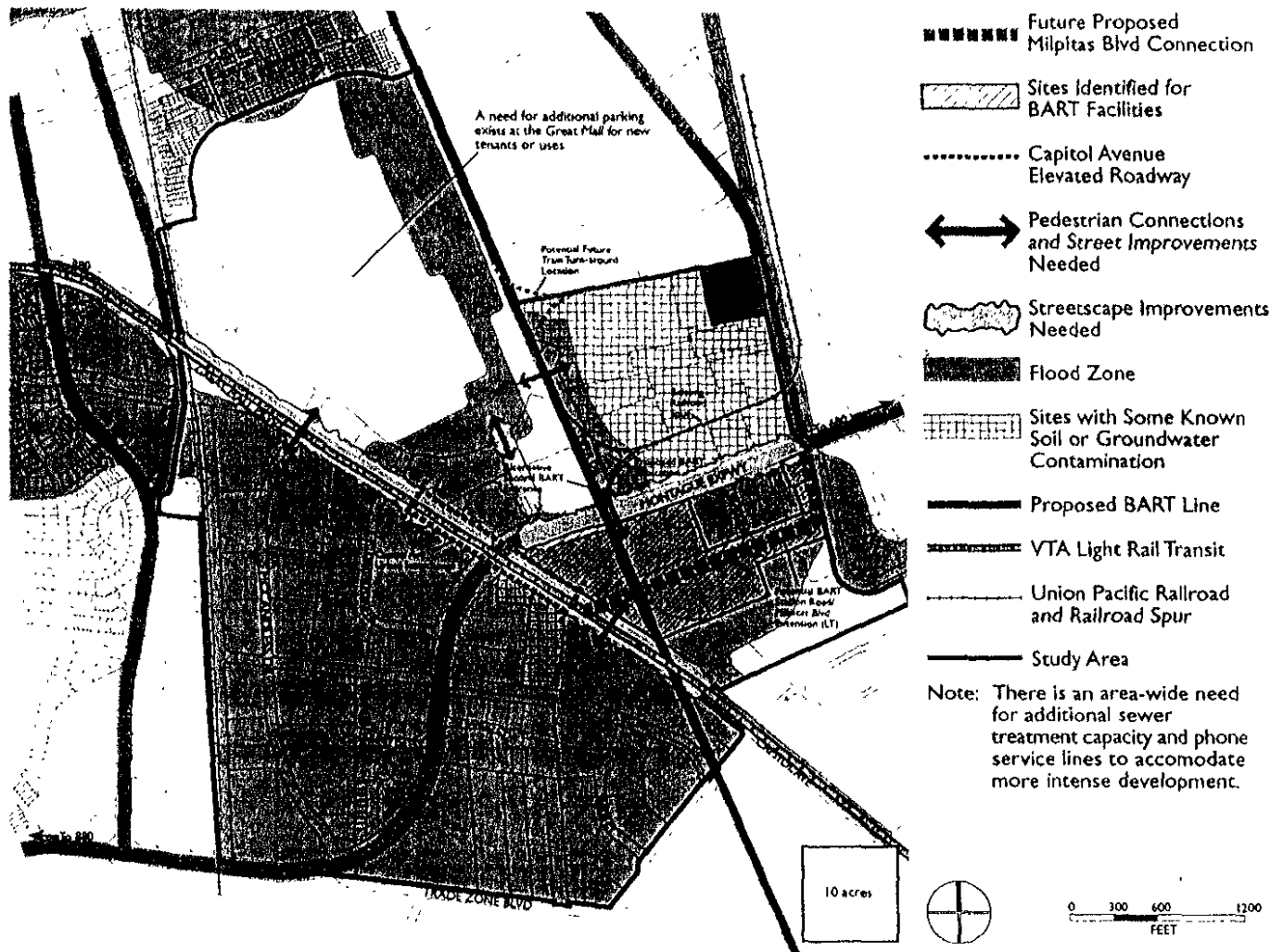
- S. MAIN ST
- S. GATEWAY BLVD
- POTENTIAL FUTURE TRAIN TURN-AROUND LOCATION/STUDY FEASIBILITY OF SPUR LOCATION
- POTENTIAL TO RELOCATE/REMOVE RAILROAD SPUR
- CANAL AVENUE URBAN INTERCHANGE
- MONTAGUE BLVD
- BART STATION
- TRADE ZONE BLVD
- 10 acres
- 0 300 600 1200 FEET



A series of area-wide infrastructure improvements will take place to make it more accessible to and comfortable for pedestrians, improve vehicle navigability, provide open space amenities, and reduce obstructions to development such as the railroad spur. Streetscape improvements and a system of signature pedestrian bridges are particularly important to give identity to the area and make it amenable to walking and bicycles. Recommended improvements are illustrated on the previous page, and include the following specific projects:

- Pedestrian bridge across Montague Expressway to BART;
- Pedestrian bridge across Montague Expressway for walking/cycling trail;
- Pedestrian connection from Montague Expressway to Great Mall;
- Pedestrian connection from BART and Piper/Montague to Great Mall;
- Pedestrian connection from Great Mall to Curtis Avenue;
- Intersection improvements on McCandless and Centre Point drives;
- Streetscape improvements on Great Mall Parkway/Capitol Avenue;
- Montague Expressway widening;
- Residential neighborhood parks;
- Removal or relocation of railroad spur tracks;
- Relocation of railroad wye turnaround;
- Milpitas Boulevard extension;
- Transportation improvements identified in EIR;
- System of trails for pedestrians and cyclists along drainage channels and landscaped streets; and
- New street network with smaller block sizes to facilitate walking and vehicle access.

MILPITAS TRANSIT AREA CONCEPT PLAN – DEVELOPMENT ISSUES



Development Issues

As illustrated above, a series of development issues must be resolved before new construction can take place in the Transit Area. These include:

- Identifying and cleaning soil or groundwater contamination;
- Providing new drainage and/or detention facilities to serve properties within the flood zone;
- Determining the alignment of the Milpitas Boulevard extension;
- Determining sites for future BART station, parking, bus, drop-off, and substation;
- Resolving questions relating to the train turnaround and spur;
- Addressing the Great Mall's parking need;
- Providing pedestrian connections across the expressway and major thoroughfares; and
- Determining the future of the Capitol Avenue flyover.

Phasing Recommendations**Phase 1: 2005-2010**

- Finalize BART station and Milpitas Boulevard extension plans
- Develop housing in Piper/Montague
- Develop housing in BART Station Area
- Develop housing on Capitol Avenue West
- Great Mall: Add new retail tenants, restaurants, entertainment, and parking
- Market sites for retail and hotel

Phase 2: 2010-2015

- Add retail across from the Great Mall and along Montague Expressway as Milpitas grows and residential units are added that create demand. Incorporate office and housing above if feasible.
- Add a hotel when market demand exists
- Continue housing development in Piper/Montague area, BART Station Area, Capitol Avenue West
- Begin housing development within the two Montague sub-areas
- Begin development of boulevard commercial as market demand begins to exist

Phase 3: 2015 to 2030

- Renovate and add new tenants to the Great Mall (as retail continually re-invents itself)
- Build out transit-oriented residential neighborhoods
- Build out boulevard commercial zones as the area's transit-oriented district identity is firmly established

Financing Recommendations

There is a variety of infrastructure projects planned for future years, as described above. These will be costly, but necessary to the successful development of the Transit Area according to the Concept Plan. Different agencies and interested parties will need to co-operate and participate in infrastructure funding in various ways. Some of these include:

- The Redevelopment Agency,
- VTA,
- City,
- Property owners, and
- Impact fees from development.

Residential development will also contribute to City operating costs as the area develops. Some tools to assist with operations expenses are:

- Community facilities districts,
- Private maintenance of streets, and
- Other mechanisms.

MILPITAS TRANSIT AREA CONCEPT PLAN – NEXT STEPS

The following steps are necessary within the next one to two years to provide the certainty developers need in order to proceed with projects, and a regulatory framework for the City and Redevelopment Agency to guide growth within the Transit Area. It is important to address and resolve these items as soon as possible, to ensure that the principles and visions of this Concept Plan, and the goals of stakeholders in the Transit Area, are achieved.

- Provide certainty regarding land acquisition and site plan for BART extension facilities;
- Identify right-of-way for Milpitas Boulevard extension;
- Amend Midtown Specific Plan to include Piper/Montague;
- Proceed with Precise Plan for Transit Sub-Area;
- Conduct environmental review for all new plans;
- Work with the Great Mall to consolidate permits and resolve parking requirements so that new tenants, restaurants, and entertainment can be added;
- Work with property owners ready to proceed to resolve development issues and design parameters relevant to their specific properties;
- Market retail and employment properties based on concept plan, identify opportunities, and get feedback; and
- Conduct fiscal impact study to identify costs and funding mechanisms for infrastructure and City services.